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Suez Canal & Japan

Economic White Paper

Labor Movement Trends

Spread of the Quantitative Boom

Construction Programs Still Sluggish

Configuration of Japanese Political Parties

Bumper Rice Crop Again

Moscow Talks Recessed

Bank Loans Gaining

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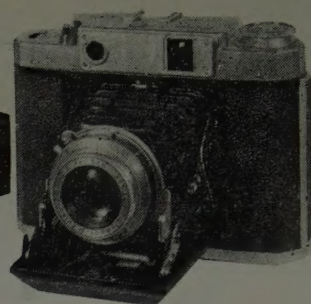
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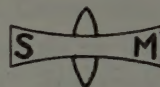
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Review of the Month

JAPANESE-Soviet peace talks at Moscow went into abrupt recess on August 13 on the ostensible ground that the two head negotiators, Japanese Foreign Minister Mamoru Shigemitsu and Soviet Foreign Minister Dmitri Shepilov, had to proceed to London to participate in the Suez conference. With the Japanese and Russian conferees continuing firm and uncompromising on the territorial issue throughout the talks, the Moscow peace negotiations have thus been brought to a crucial deadlock within only two weeks since the first meeting on July 31. The title to Etorofu and Kunashiri continued to be the outstanding pivot of talks at the Soviet capital. Mr. Shigemitsu reiterated that those two northern islands have never been the territory of any countries except Japan in the past and that the Yalta Agreement, to which the Russian side refers to justify its stand, is an arrangement in which Japan has had no concern whatever. Soviet chief delegate Shepilov countered that the Yalta Agreement remains in effect and that Japan is not qualified to claim its title to Etorofu and Kunashiri on the strength of the treaties (the Shimoda Treaty and the Kuriles-Saghalien Pact) concluded before it undertook an aggressive war—the Russo-Japanese War. In his last endeavor to find a solution through political negotiations, Mr. Shigemitsu conferred with Prime Minister Bulganin and Communist Party chief Khrushchev at the Kremlin on August 10 in vain. With the return of Etorofu and Kunashiri thus confirmed hopeless, Mr. Shigemitsu decided to make last efforts to put the final wording of the territorial provisions within the limits of the San Francisco Peace Treaty by preferring no special mention of boundary lines, but Mr. Shepilov also declined to make any concession on this point by insisting that the Japanese were objecting to defining the boundary lines because they intended to renew their claims on the two southern Kurile islands at a later date. Throughout the long-drawn peace talks since the first session held in London, the Russians have continued to adhere firmly to the original claims without making the least concession, and in the course of the Moscow session they have even revived the problem of the right of navigation through the Japan Sea Straits which they once abandoned at the London talks. The Russians demanded that the waters belonging to Japan in the Soya and Nemuro Straits and the Tsugaru and Tsushima Straits should be demilitarized and opened to the free passage of merchant vessels of any countries and that only warships of neighboring countries should be permitted to navigate through those straits. Completely dissatisfied with the Soviet claims, the Japanese Government finally decided to have the Moscow talks temporarily recessed and instructed Foreign Minister Shigemitsu accordingly. Mr. Shigemitsu's proposal to that effect was eventually accepted by the Kremlin. Later in London, Mr. Shigemitsu and Mr. Shepilov took up this subject again and

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reached the final agreement to recess the peace talks until the end of September.

The totally inflexible attitude maintained by the Soviets throughout the Moscow peace talks has come as a big surprise to the majority of Japanese who expected that the Kremlin, paying regard to the Japanese national sentiment, might make some concessions. Not only the Liberal-Democrats but also the Socialists are firmly opposed to the Russian proposal. The Communist Party alone shows willingness to dance to the Soviet tunes. At his press conference, Mr. Mosaburo Suzuki, chairman of the Japan Socialist Party, regretted that the Soviet Union, by unilaterally branding the Russo-Japanese War fought during the Czarist age as an aggressive war by Japan and adhering solely to the Yalta (secret) Agreement which arbitrarily took South Saghalien and the Kuriles from Japan to justify its stand, has given the Japanese people in general a strong impression that it is acting in a manner unbecoming of a Socialist State. He further opined that the early conclusion of the Japanese-Soviet peace talks is a strong desire of the Japanese people and hence he hoped that the Kremlin would take a broad-minded attitude enough to enable them to hope for the future friendly relations between the two countries. The Communist Party, in its statement, urged the immediate conclusion of the peace treaty on Soviet terms and unilaterally declared that the Japanese Government's attitude (at the Moscow talks) is not supported officially by any country as the demands submitted by the Government are internationally unfeasible and unreasonable.

THE Bank of Japan announced the adoption of the so-called high money rate system as from August 20 for the purpose of curbing the growth of bank loans which, in its opinion, have been swelling at an abnormally active tempo.

BANK LOANS GAINING

The high money rate system calls for the imposition of a money rate higher than the official rate to the portions of loans asked by city banks from the Bank of Japan in excess of designated frames set by the Central Bank for borrower banks. In other words, it is a punitive measure aimed at sectionally adjusting money movements. It was in May, this year that the problem of excessive loan increases came into the limelight. In that month, the gain of loans extended by all banks in Japan reached four-fold the increase in the like month in 1955, but the so-called state of overloans did not appear as yet. In June, however, the increase of loans was five-fold a year ago and far eclipsed the gain of real deposits (total deposits minus cheques, bills and foreign currency deposits), and the state of overloans began to appear, and this phenomenon grew intensified in July when the gain of loans tripled a year ago. Under the impact of the accentuated tempo of loan increases,

the note issue by the Bank of Japan began to rebound and Bank of Japan loans gained in parallel. In view of the fact that the balance of such loans was on the decline a year ago, the general monetary situation is noted to be undergoing a noteworthy change. The direct cause is the unexpected appearance of the public-to-Treasury balance registered in the first quarter of fiscal 1956 (April to June). Chiefly responsible for this monetary turnabout is the sharp slip of the payment excess in the Foreign Exchange Account due to the sudden and sharp increment of imports.

The favorable balance of international accounts and an unprecedented bumper crop of rice were the two mainstays which supported the so-called quantitative boom since the fall of 1955. Despite the mounting excess of financial payments which followed, demands for business and industrial funds were not sufficiently and immediately activated under the impact of deflationary developments which had become almost semi-chronic. Hence, city banks were able to channel idle funds in hand to the Bank of Japan in the form of debt repayments, and money grew extremely easy. Parallel with the steady permeation of low money rates, production began to increase and exports started swelling, followed by the inevitable hike of imports to cope with rising production. The result was the dwindling of the payment excess in the Foreign Exchange Account which finally registered an excess of receipts in July. On the spur of booming business, the Government revenues from taxes and governmental enterprises began to increase and the public-to-Treasury balance has started hiking. All such new developments have been responsible for the unexpected excess of receipts over payments in the financial fund movement for the first quarter of the current fiscal year for which experts originally predicted a sizable excess of payments. Confident that the present business boom will continue to exist for some time, industrialists on their part have begun to seek fresh equipment and running funds and this new trend has accounted for a marked increase of loans extended by city banks since May. The policy of the Bank of Japan which issued a warning in June about the changing keynote of economic conditions has continued unchanged and its decision to apply the high money rate system is a measure by which it seeks self-reflection on the part of city banks. City bankers, however, do not agree with the Central Bank in this respect, holding that there will be no worry of over-investments as feared by the Central Bank and that they will stick to the present loan extension policy. In insisting on this view, city banks explain that the governmental payments for quota rice deliveries this year will reach an equally huge total as in last year, that the rising trend of imports will begin to mark time soon and that prices are likely to fol-

low a crablike zigzag. They further opine that money will become easier again and they are hence compelled to try to retain their present customers using their loans.

As the harvest season of rice, the staple food for Japanese, is approaching (September through October), it has become increasingly certain that a bumper crop, which blessed the country last year, will repeat itself this year. For years, it has been popularly opined that a bumper crop will never last two years while a bad crop will always come twice consecutively, but this "established theory" may prove groundless this year.

BUMPER RICE CROP AGAIN

According to the latest forecast by the Ministry of Agriculture and Forestry, the average growth of rice plants in Japan as of July 15 is fair enough to place the estimated rice crop for this year at 69,000,000 *koku* (1 *koku*=about five bushels) with the 70,000,000-*koku* harvest a certainty if weather conditions continue favorable. The ministerial estimate, although not coming up to the unprecedented bumper crop of 79,000,000 *koku* last year, is well in excess of the normal crop of 66,000,000 *koku* and almost equals the second best record of 71,000,000 *koku* harvested in 1933. Meanwhile, 1956 quota-rice delivery contracts concluded by the Government with farmers by the August 10 deadline topped the 30,000,000-*koku* mark, 28 per cent larger than the original purchase goal of 23,500,000 *koku* set by the Government at the start of the season, and about 2,000,000 *koku* more than the contracts made for the 1955 rice by August 31, last year (although the total 1955 purchases reached 32,000,000 *koku* by late November due to an additional buying of 4,000,000 *koku* made after the August deadline).

Farmers have been unexpectedly willing to offer quota-rice deliveries this year for the reason that the amount of rice they have stocked have reached a large total due to the bumper crop in 1955 and that the repetition of a fair crop this year is likely to further increase the stocks. With rice sufficiently rationed to the masses and rice stocks in the hands of farmers on the increase, the black-market price of rice is bound to slip, and it is only natural that farmers should prefer the advantage of selling to the Government at the fair price of ¥10,070 per *koku*. The blackmarket price of rice has been steadily declining recently, a trend quite contrary to the usual tendency as August in Japan is in the midst of an off-crop season. According to the Food Agency, the latest average black-market prices of rice is ¥110 per *sho* (0.01 *koku*) in the producer area and ¥120 in the consumer area, both about ¥30 lower than a year ago. The increasing volume of quota-rice deliveries by farmers will naturally boost the governmental stocks of rice. As the Government requires 23,500,000 *koku* to make the rice rationing program smoothly going, the purchase contracts concluded by the August deadline this year will leave some 7,000,000 *koku* in governmental warehouses. With the carry-over from the previous rice year ended this October estimated

to total about 5,000,000 *koku*, the Government is now studying measures to dispose of the mounting rice stocks, such as advance deliveries of rationed rice or off-ration sales at a special price.

The masses have already begun to show less enthusiasm towards extra deliveries for the reason that off-ration rice is priced at ¥120 per *sho*, only ¥12 higher than rationed rice, and about half the amount of extra deliveries have remained unsold. The Government has taken advantage of a bumper crop last year to decontrol rice through various processes and by several stages, and it is for this purpose that the extra rationing at a special price, the free sales of imported rice and a special release of stocked rice to hotels and restaurants have been operated. The control over rice has certainly lost its *raison d'être* since the "black-market" price of extra-rationed rice has fallen to the level of the ration price. With the supply-demand balance of domestic rice apparently restored, it is high time now for the Government to lift, once and for all, the present control, the only wartime control still left in operation. The Ministry of Agriculture and Forestry revealed that the combined production of wheat, barley and rye this year is estimated to reach 29,000,000 *koku*, about 1,000,000 *koku* more than the normal crop. Internationally, rice and wheat are somewhat overproduced and farming technique is in constant progress. All indications are sufficient to dispense with the fear of food shortage at least for some time to come. In rice decontrol operations, it is not in the distribution sector but in the production phase that some troubles appear looming, and the Government is urged to take steps to protect the life of farmers side by side with the decontrol of rice.

JAPAN was represented at the Suez Conference opened in London from August 16 by Foreign Minister Mamoru Shigemitsu, Transportation Minister Shinji Yoshino and Adviser to the Foreign Office Renzo Sawada. Speaking at the August 21 session of the Conference, Mr. Shigemitsu gave his support to the American-sponsored plan, but expressed hope that the proposal submitted by the Indian delegation be utilized as a supplementary basis of the negotiations. Japan's position is extremely delicate, as the Conference is divided between the two rival groups each composed of her friendly nations—Western Europe vs. Asia and Arabia, or France and Britain vs. Egypt. The discussions at the Conference are naturally pivoted on the two outstanding problems, international management and an equitable distribution of revenue, and hard sledding is in store for a fair and acceptable adjustment of the differences between the two opposing parties. Japan, of course, is desirous of a formula guaranteeing the freedom of passage through the canal, but she at the same time wishes the bona fide interest of Egypt to be thoroughly respected. From the standpoint of international peace, we hope the overall settlement of this gigantic problem will be solved along the lines fair and acceptable to all concerned.

SUEZ CANAL & JAPAN

Business Indicators

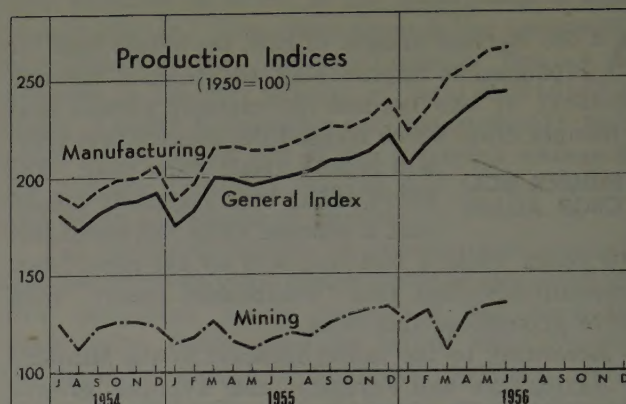
Production:—The gaining tempo of production has continued unabated with the June index (1950 as 100) rising 5% over the May mark 243.6 and eclipsing the figure a year ago by 23.7%. Thus the monthly average during the first six months of this year (January to June) stood about 20.0% higher than the like average in 1955. Shipbuilding headed the list of June gainers, exceeding the production a year ago by 2.2-fold on the spur of a new shipbuilding boom. Machinery followed with a hike of 36% while petroleum and coal products ranked third by rising 30%. The push of machinery was largely due to the activated pace of equipment investments while coal-petroleum products were threatening to become oversupplied due to the continued increase. Also up more than 20% in June were iron-steel, non-ferrous metals, textiles, chemicals, pharmaceuticals, ceramic products and leather goods. Despite the sharp gain, iron and steel products alone have still remained under-supplied as the increase in production has not yet been sufficiently sizable enough to keep pace with the expansion of demand. The supply-demand balance of other key materials, however, has been more or less harmoniously maintained with the signs of oversupplies growing apparent for gasoline, cement and cotton spinning. Sales competition has already started for the former two products while the reimposition of production curtailment has been suggested for cotton spinning.

1. JUNE PRODUCTION INDICES
(1950=100)

	June, 1956	Against June, 1955	Jan.~June, 1956	Against Jan.~June, 1955
Mining-Manufacturing	243.6	123.7	228.4	119.6
Mining	134.8	115.0	127.7	108.6
Manufacturing	266.0	124.7	249.2	120.9
Iron & Steel	231.9	117.4	221.5	116.3
Non-Ferrous Metals	199.4	146.4	187.8	119.1
Machinery	281.4	149.8	247.8	135.7
Steel Ships	491.8	181.5	463.9	217.7
Rolling Stocks	87.2	87.9	112.2	109.1
Textiles	299.8	122.6	280.9	119.7
Paper & Pulp	287.5	116.2	273.5	114.8
Chemicals	251.5	120.7	233.4	118.5
Pharmaceuticals	1,132.2	120.0	1,028.4	120.6
Oil Products	462.1	124.3	469.5	130.3
Ceramics	210.7	123.1	204.1	119.6
Rubber Goods	171.7	118.7	161.7	110.8
Leather Goods	263.9	116.5	257.8	119.6
Daily Necessaries	225.7	114.6	218.0	111.7
Lumber	167.6	121.1	160.6	110.9
Foodstuffs	223.0	117.6	206.1	112.2
Tobacco	144.4	100.0	141.9	97.8

Source: MITI.

Consumer Demand:—A sharply-increasing demand for ship plates by shipbuilders has been a cardinal cause of the iron-steel supply stringency in recent months while a sharp gain in consumption for machinery and construction has also been responsible. Of the total consumption of iron and



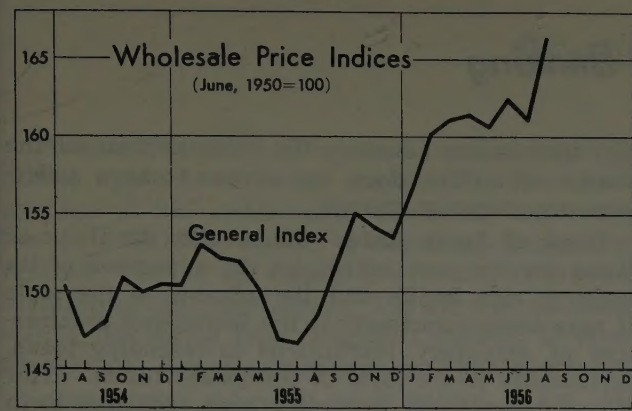
steel materials, shipbuilding accounts for about 19% and machinery takes about 13% while construction demands 7.5%, signifying the overwhelming weight of consumption by the first-named.

According to the Economic Planning Board, the monthly average of orders for machinery received during the January-May period this year reached ¥47,800 million, a gain of about 2.2-fold over the like average in 1955. With orders from overseas (for export) and by governmental or public sources deducted, the monthly average of pure civilian orders during the first five months amounted to 25,600 million, a 2.5-fold increase over the equivalent in 1955, bespeaking the accentuated rise of equipment investments. Equally brisk has been the demand for iron-steel materials by builders with speculative purchasing operations becoming rampant for some items. Some of smaller constructors have been forced to suspend building operations half-way due to the shortage of needed materials. Parallel with the jump of investment demand, consumer demand has been gaining at a fair tempo with the national consumption level markedly up since the second half of fiscal 1955. The average consumption level in the urban and suburban areas in the January-May period this year rose 8.5% over the like period a year ago. As the nearest yardstick, the monthly average of department store sales in the January-May period this year was up 18% over a year ago, far eclipsing the similar gain of only 4% registered in the like period in 1955 over a year before.

2. DEPARTMENT STORE SALES

	1953—54		1954—55	
	¥100 million	Indices (A year ago as 100)	¥100 million	Indices (A year ago as 100)
November	173.8	97.9	195.3	112.4
December	367.6	106.8	410.2	111.6
January	128.3	104.8	145.8	113.6
February	120.7	95.1	145.3	120.4
March	173.3	106.8	203.1	117.2
April	166.3	108.3	196.2	118.0
May	147.9	104.7	176.2	119.2

Source: Compiled by *The Oriental Economist* from MITI figures.



Inventories:—With exports faring well and domestic demand expanding lively, manufacturers, inventories were steadily dwindling, recording a shrinkage of 17% during the period from August, 1955 to March, this year. With production increasing in parallel, however, the inventories began to gain from April and registered a hike of about 6% by June, but the June-end index was still 12.2% higher than a year ago. Particularly down were the stocks of mining products which were more than halved due to a marked recession of coal in the period under review. Machinery also dropped 24%, textiles were down 13% and iron-steel materials were 10% smaller. In the recent few months, however, textiles have begun to be overstocked as some items, particularly cotton yarn, have been overproduced. Inventories of raw materials, on the other hand, have been on a smooth increase as the imports have been mounting, with the June-end (1956) index standing 19.3% higher than a year ago. With raw materials supplies thus assured, production is likely to continue at a high level for some months to come.

3. INDICES OF MANUFACTURERS' INVENTORIES
(1950 average=100)

	May, 1956	June, 1956	Against May, 1956	Against June, 1955
Mining-Manufacturing	130.4	134.1	102.8	87.8
Mining	56.6	58.4	103.2	45.9
Manufacturing	139.8	143.8	102.9	92.2
Iron & Steel.....	167.8	162.5	96.8	90.1
Non-ferrous Metals.....	70.8	72.5	102.4	95.4
Machinery.....	132.6	131.3	99.0	75.7
Textiles.....	109.3	117.6	107.6	82.7
Paper, Pulp	308.0	301.8	98.0	124.9
Chemicals	203.7	233.5	114.6	119.4
Petroleum, Coal Products ..	162.4	149.8	92.2	103.1
Ceramics	140.0	143.5	102.5	94.7
Rubber Goods	194.2	213.1	109.7	101.1
Hides, Leathers	113.3	118.0	104.1	109.2
Others	99.9	102.3	102.4	103.0

Source: Ministry of International Trade & Industry.

Prices:—Wholesale prices, which began to weaken in July after the continued hike in the preceding six months, regained strength in August with the overall average index for August up 6.1% over December, 1955. Leading the march were metals which soared 26.4% in the interim chiefly because of the skyrocketing of iron and steel

materials. Non-ferrous metals have continued comparatively steady since around March. Due to rising demands in shipbuilding, machinery and construction quarters, speculative purchases have become active and all iron-steel items, especially plates, shapes and bars, have been rising in unison. Overseas stimulants such as the U.S. steel strike, a building boom and active equipment investments have lent an additional impetus to the already stiff metal market. The soaring of iron-steel prices have forced the prices of machinery and building materials to upsurge in parallel. The lumber market has also tightened. Among chemicals, soda items have regained strength while coal among fuel items has continued stiff despite seasonal handicaps. Thus the average wholesale price index as of August was 9.7% up over a year ago with iron-steel leading the hike with a gain of 44.0%.

4. WHOLESALE PRICE INDICES

(June, 1950=100)

	Aug., 1955	Dec., 1955	Aug., 1956	Against Dec., 1955	Against Aug., 1955
Total Average	148.5	153.5	162.9	106.1	109.7
Foodstuffs	141.1	143.9	135.9	94.4	96.3
Textiles	90.8	89.0	90.5	101.7	99.7
Fuels	157.9	160.4	163.6	102.0	103.6
Metals.....	214.9	244.6	309.2	126.4	143.9
Machinery	178.2	175.2	185.0	105.6	103.8
Building Materials ...	206.5	206.7	223.1	107.9	138.0
Chemicals	100.7	104.0	105.4	101.3	104.7
Sundries.....	136.8	140.0	134.7	96.2	98.5
Consumer Goods	136.4	138.8	133.4	91.1	97.7
Producer Goods	155.0	161.5	178.9	110.8	115.4
Total Average					
minus Foodstuffs....	150.7	164.3	171.2	109.4	113.6

Note: As of mid-month.
Source: Economic Planning Board.

Living Cost:—The rising tempo of the living cost has been extremely restricted as compared with the sharp hike of wholesale prices with the index for June registering a fractional increase of only 0.1% over the May equivalent and up 2.2% over a year ago. The housing expense during the interim (in the year up to June, 1956), however, rose 11.3% chiefly because of the elevation of rent, water charges and repairing costs as well as the rise of building materials. Also up were non-staple foodstuffs, clothing and miscellaneous spending, but the 4.4% drop of staple food because of the bumper rice crop in 1955 came as an effective brake to the otherwise sharper increment of the overall living cost.

5. TOKYO CONSUMER PRICE INDICES

(1951=100)

	May, 1956	June, 1956	Against May, 1956	Against June, 1955
Total Average.....	118.6	118.7	100.1	102.2
Foodstuffs.....	114.3	114.3	100.0	101.3
Staple.....	121.2	121.4	100.2	95.6
Non-staple.....	110.6	110.6	100.0	105.0
Clothing	82.8	83.6	101.0	102.7
Light-Fuel.....	137.4	136.8	99.6	100.1
Housing.....	141.5	142.7	100.8	111.3
Miscellaneous	142.2	141.9	99.8	102.5

Source: Bureau of Statistics, Prime Minister's Office.

Money and Banking

Still Tight:—The money market, which began to stiffen unexpectedly in June, continued tight into July. The call rate, which rose from the mid-May low of 1.3 sen per diem (standard-unconditional) to 2.1 sen by the close of June, remained unchanged throughout July. On the other hand, Bank of Japan loans, which dipped to ¥16,300 million on May 24, spurted up to ¥62,900 million by the end of June and remained almost unchanged at ¥62,500 million in late July with the rising pace continuing unabated into August. Short-term governmental notes held by monetary institutions, which hit a high at ¥79,900 million on April 19, slipped to ¥4,400 million by the close of July after receding to ¥3,700 million at the end of June. These three major phenomena (the rising call rate, the expanding loans of the Bank of Japan and the dwindling balance of short-term Treasury notes in the city) indicated the growing shortage of idle hands in the hands of monetary institutions. Two principal factors worked for the tightening of the money market. 1) The dwarfing of the Treasury-to-public balance. The Government payment excess in July amounted to only ¥400 million, too small to counter the huge receipt excesses in the preceding two months (¥45,400 million in May and ¥19,800 million in June). July witnessed a large payment in the Food Control Account due to advances for quota rice deliveries, but the Foreign Exchange Account registered a receipt excess of ¥9,700 million because of mounting imports and tax collection progressed smoothly to nullify the payment excess in the first-named. 2) The July-end balance of Bank of Japan note issue (which was only ¥600 million up over a month ago) sharply eclipsed the corresponding balance a year ago. The average note issue during July was ¥52,100 million larger than the like month in 1955 as compared with the ¥46,700 million gain in June over a year ago. The huge amount of money thus placed in circulation in July was chiefly due to active consumer spending in the hot summer season as well as the expansion of commercial transactions and the increase of bank loans parallel with the aggrandizement of the economic scale.

With the money market thus faring in a markedly tight tone, August is expected to continue just as stiff as the month is bound to register another large receipt excess of ¥27,000 million in the movement of financial funds. The All-Japan Banking Account, which recorded a huge excess of loans in June (the increase of loans at ¥115,900 million against the gain of real deposits at ¥62,100 million) moved in the like way in July (¥75,900 million against ¥21,500 million) with the similar trend expected to continue into August. With all the figures pointing to the gradual tightening of mone-

tary operations, however, the basic keynote of the money movement does not appear to have undergone any concrete change.

Bank of Japan Rate:—Meanwhile, the Bank of Japan on its part attributes the expansion of its loans to city banks and the advance of the scale of note issue principally to the increasing recklessness of monetary institutions in extending loans, particularly in the form of equipment funds. After repeated warnings to rectify such recklessness in July, the Bank of Japan in early August decided to tighten the scope of application of the high money rate to its loans to city banks. The high money rate formula, in operation since 1906 by the Central Bank, calls for the imposition of the money rate higher than ordinary rates to the portion of loans from the Bank of Japan in excess of a certain designated limit.

Bond Issue Terms:—The "liberalization" of issue terms of various corporate and banking bonds, put into effect in mid-July, has come as an accelerator to the slipping trend of money rates for long-term loans. The interest yields of bonds and debentures were subjected to certain cuts by the revision of issue terms in April this year, but the bond market continued dull during the past few months with no new issues registered in July. Under the impact of the weak market, securities merchants raised a voice for the re-cut of interest yields in late June, and their request was finally supported by the Ministry of Finance and the Bank of Japan despite the negative attitude of banking circles. The outcome was the "liberalization" of flotations (as from August issues) for the first time in 18 years. Up to July, flotations of bonds and debentures were allowed only on issue terms fixed by the Kisai Kondankai (Bond Issues Roundtable Council). Under the new "liberalization" formula, flotation terms may be individually fixed by the issuer parties concerned in accordance with prevailing monetary conditions.

MONEY IN JULY (In ¥100 million)

Note Issue (End of June)	5,969
Note Issue (End of July)	5,975
-June-July Increase	6
Financial Fund Movement.....	4 (A)
Short-Term Govt. Notes	-3 (B)
Bank of Japan Account	5 (C)
-Govt. Bond Dealings	-14
-Loans	-4
-Others	23
ABC	6

Source: Compiled by *The Oriental Economist*.

NEW BOND ISSUE TERMS

	Industrial Bonds	Banking Bonds	*Corporate Bonds	**Local Bonds
Issue Prices.....¥	99.75 (99.50)	¥ 99.25 (98.50)	¥ 100.00 (99.00)	¥ 100.00 (100.00)
Surface Int. Rate ..	7.3%	7.0%	7.9%	7.3%
(per annum)	(7.5)	(7.0)	(7.0)	(7.5)
Yield to Sub.	7.354%	7.204%	7.064%	7.3%
(per annum)	(7.609)	(7.411)	(7.302)	(7.5)

Note: Parenthesized figures are the equivalents for April issues.

*Road Public Corp. Bonds: **Tokyo Metropolis Bonds.

Source: Compiled by *The Oriental Economist*.

Stock Market

August Strength:—The stock market began to stiffen again from early August. The Dow-Jones average of 225 industrials, which hit the recent low at ¥482.87 as of July 2, started to recover and reached ¥507.31 on August 6 with the ¥500 mark maintained into mid-August. The average quotation during the period from August 1 through 13 stood at ¥504.46. It was only in June that the mid-month average topped the ¥500 mark before. Thus, the August stock quotations are bound to remain firm and steady with signs of upward trip, although no sudden jump is likely. The volume of daily turnovers, however, continued to taper despite the fair price trend. The average volume of daily transactions during the period from August 1 to 13 stood at 14,403,000. Hence, the undertone of the market was rather negatively quiet despite the price stiffening.

1. SHARE PRICES AND TURNOVERS

	Share Prices (Yen)			Average Daily Turnovers (1,000 shares)
	High	Low	Average	
1955: August	387.12	365.57	377.48	9,693
September	388.42	388.13	386.15	8,831
October	410.29	385.57	401.47	12,080
November	410.36	393.28	401.53	12,115
December	425.69	398.11	409.81	15,992
1956: January	431.60	420.14	426.46	14,886
February	430.64	422.50	429.71	15,485
March	458.58	440.17	444.29	18,907
April	487.35	462.41	472.22	28,485
May	488.43	472.10	480.56	24,355
June	512.25	491.03	502.21	27,528
July	502.14	482.80	490.80	16,042
August (1-13)....	507.31	501.43	504.46	14,403

Suez Crisis:—The unexpected gain of imports and the advent of tight money offered two deterrents to the market which had already been soft under the lean summer season, and the quotations dipped sharply in late June through early July. With the tight money situation still in evidence, however, the stock market began to recover with unexpected quickness from early August on the strength of the good showing by key industries. The first concrete spur to the August market, however, was the upsurge of shipping shares based on the sudden advent of the Suez crisis, and other industrials were quick to follow suit. As shown in Table 2 comparing the July 2 lows and the August 13 highs, all the 14 groups of major industrials, with the lone exception of amusements, registered stiff rallies with shippings leading the mark with the gain of 9.61%.

The shipbuilding-machinery group followed with the increase of 7.70% and the iron-steel-metals group placed third by advancing 6.52% to make

the August recovery a kind of "heavy industries boom." Chemicals also made a fair rally of 5.09% chiefly on the strength of favorable showings of synthetic resin companies, particularly soda and vinyl chloride manufacturers. Also up 4.88% was the textiles group as the domestic textile market grew firm.

2. PRICE FLUCTUATIONS OF 225 INDUSTRIALS

Groups	July 2	August 12	Gains or (-) loss	%
Averages of 225 Pivotal..	482.87	502.12	19.29	3.84
Banking, Insurance.....	651.16	654.84	3.68	0.53
Railway Transportation...	300.20	315.41	15.21	4.82
Shipping	273.78	302.92	29.14	9.61
Gas, Electricity	205.83	214.11	8.28	3.86
Mining	416.54	431.09	14.55	3.49
Shipbuilding, Machinery ..	225.32	242.70	17.38	7.70
Iron-Steel, Metals	110.65	118.38	7.73	6.52
Textiles	611.21	642.63	31.42	4.88
Foodstuffs.....	982.20	985.46	3.26	0.33
Fisheries	149.67	152.32	2.65	1.73
Chemicals.....	419.64	432.69	22.05	5.09
Miscellaneous	497.16	511.62	14.46	2.82
Commerce.....	919.00	930.19	11.19	2.18
Amusements	378.95	374.14	(-) 4.81	1.28

Source: *The Oriental Economist*.

New Trend:—One of the notable transitions in the stock market in recent months is the dwindling influence of monetary factors such as the easy money situation and the money rate slip, as the money market has begun to tighten somewhat. One of the direct causes responsible for the new situation is the steady drop of share yields. According to the Tokyo Securities Market, the average yield of the 225 listed industrials as of August 13 stood at 5.96% (based on the dividends given for the preceding term) and that of the 203 dividend-giving shares registered 6.30%. On the other hand, the average yield of leading industrial bonds for subscribers at present stands at 2.8 sen or 7.30% per annum. The latest survey made by *The Oriental Economist*, however, estimates the average yield of dividend-giving shares at about 7.60%, almost equal to the yield of first-rate industrial bonds. With the yield of major industrial bonds not expected to fall below the 7.4% mark in the future, it appears that the average yield of leading stocks has reached the limit, although traders may still continue to invest in some of the dividend-giving shares whose yields still reach 8.00-10.00%. For all that, the yields themselves has apparently ceased to be a major attraction to investors in stocks. Instead, fair results of industrial and business companies have begun to become a major impetus to the rise of share prices concerned. Key industries, with heavy industries at the helm, have been faring encouragingly well and many firms are expected to register fat earnings for the second-half term this year, while the

consensus in business and industrial circles points to the continuance of the fair tone into the next year. Many of those companies are planning to make bulky investments for the expansion or modernization of their plants on the one hand and to incorporate assets reappraisal reserves into capital in order to avoid the legal restriction on dividends on the other. Hence, capital increases by those firms are expected likely. All those new developments are certain to accelerate the future march of share prices. When the money rate slip is a major spur in the stock market, all shares are likely to rise in unison. On the other hand, when growth of corporate earnings serves as a principal stimulant, only selected shares of the firms with good showings or good future prospects generally make a solo flight to the neglect of other less promising stocks. Meanwhile, the success or failure of Soviet-Japanese peace talks is not expected to have any decisive bearing on the movement of the stock prices, although the conclusion of the Moscow negotiations on terms favorable to Japan will add to the bullish sentiment. Actually, the market was not particularly sensitive to the report from London dated August 22 that Japanese Foreign Minister Mamoru Shigemitsu and Soviet counterpart Dmitri Shepilov reached agreement to hold the Japanese-Soviet peace talks in recess until the end of September. The movement of share prices continued extremely limited at the news. Apparently, the

fate of the peace talks did not have so important a bearing on Japanese share traders as the Suez Canal crisis. One of the able supports to the market in prospect is the expected fair rice crop for this year due to the continuance of a hot spell throughout summer. With an unprecedented bumper crop of rice harvested last year, the repetition of a good crop this year will undoubtedly prove a strong stimulant to the stock market, as it will enforce money to become easier and add to the purchasing power in the agrarian community.

Bond Market Quiet:—The bond market continued quiet. The issue terms of Tokyo Electric Power were announced on July 26 with the issue price set at ¥99.75 and yield for subscribers at 7.3% per annum, but the fractional cut of 0.255% failed to influence the market. Three other electric power bonds and five industrial bonds were floated after the Tokyo Electric Power issue with the total value reading ¥4,500 million. Of those new issues, plant bonds and Tokyo Kotsu and Tokyo Gas bonds were floated on the same terms as the Tokyo Electric Power Bond while Teikoku Seima, Hokushin Denki and Nippon Sen-i issues were priced at ¥99.50 with the yield at 7.5%. As more companies are adopting the "wait and see" policy for floating debentures until some better terms become available, the total issues of corporate bonds were rather small in value.



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Spread of the Quantitative Boom

THE business results of the term ended with April last reflect the spread and steadying of the quantitative boom, and all categories of business reported an increase in sales which, naturally, led to further increase in earnings.

The betterment of the ratio of all capital to profit was the result of increased rate of capital turnover, up to 1.2 times as against the 1.1 times of the preceding term. Moreover, there was a slight gain of 0.1 percent in the sales amount profit ratio, 3.7 percent as against 3.6 percent, which also contributed toward higher profit.

Growth of Sales Volume

The main reason for decline of non-operating expenses was the decrease in interest payments due to reduction of money rates. For the first time in years the average cost of financing came down to ¥279 million per company, a drop of ¥7 million or 2.4 percent. The ratio of the burden of interest also declined from the 3.5 percent of the preceding term to 3.0 percent. By business category, there were 30 varieties (among the 47 subclassifications and unclassified categories) that benefited from reduction of the burden of interest ratio.

1. AVERAGE SALES AND NET PROFIT PER CORPORATION (In ¥ million)

Period	Sales Amount	Net Profit	Ratio of all Capital to Profit
1st Half 1953-54	6,900	329	5.8%
2nd Half " "	7,675	322	5.1
1st Half 1954-55	7,105	284	3.9
2nd Half " "	7,603	261	3.5
1st Half 1955-56	8,365	300	3.8
2nd Half " "	9,513	356	4.3

Source: *The Oriental Economist* for all tables.

As for depreciation coverage prior to computation of profit, the average per corporation surveyed came to ¥326 million, higher by ¥30 million or 10.1 percent than for the preceding term. This resulted in the upping of the amortization rate to 8.2 percent as against the previous 7.8 percent. All enterprises continued to endeavor to increase capital reserves, and because they earmarked more than the statutory requirement for depreciation coverage the amount plowed back rose to 100.9 percent of the legal limit as against the 97.1 percent of the preceding half year. This excess depreciation coverage was undertaken by 32 business categories out of the 47 listed.

A feature of the business term under review is the spread of the quantitative boom into most fields of business. This resulted in increase of sales volume and business profit. 14 corporations upped dividend payments, as against the 7 for the preceding term, 6 resumed payments (as against 2 for the preceding term), 171 continued at unchanged rates (as against 163, 20 reduced payments (34, last term), and 27 withheld payment (33, last term). Consequently, more companies are increasing or maintaining dividend rates, while less are reducing or withholding payments.

By business classification, dividend boosts were relatively high with metal and non-metal mining,

petroleum refining, communications equipment, and some others, at more than 20 percent. Coal and maritime transportation, which in the preceding term had paid no dividends, resumed payments; and this resulted in all classifications covered by the survey in a paying position for the first time since the start of this series of study.

Comparison of the various dividend rates shows that petroleum refining stood highest at 26.7 percent, with such classifications as motor cycles, bicycles, ceramic ware, sugar refining, wool processing, communications equipment, printing, chemical fibers, brewing, and petroleum paying at least 20 percent.

2. COMPARISON OF PROFIT DISPOSITION RATIOS

	2nd Half 1954-55	1st Half 1955-56	2nd Half 1955-56
To Reserves	20.3%	22.2%	26.8%
Distributed out of the Company	39.3	38.4	34.5
(Dividends)	(38.1)	(37.3)	(33.5)
Reserved for Taxes	40.4	39.4	38.7

Increase of Inventoried Assets

Turning next to the shifts in assets and capital liabilities, it is found that in assets there was a notable increase in inventories which in the past two terms had undergone considerable contraction. The total value for the 238 corporations surveyed stood at ¥34,300 million, up 5.8 percent. This shows that with the spread of prosperity, those businesses that had been wary about purchasing materials and supplies were feeling the pinch of reduced stockpiles and had gone in for positive buying. Analysis of the inventories shows ¥2,000 million in merchandise and finished products (up only 1.1 percent), with remaining inventoried assets at ¥32,300 million (up 7.8 percent). But the most notable thing is the speed-up in turnover of inventories, at 7.2 times in the term under review as against the 6.7 times of the preceding half year.

With fixed assets, the total increase for the corporations surveyed during the term under review came to ¥74,200 million, a gain of 3.9 per cent. This was not much more than the 3.3 per cent gain registered during the preceding term. Moreover, since the greater part of this increase was due to build-up of the electric power enterprise (¥43,800 million), the trend was, as in the case of the preceding half year, little expansion of facilities compared to the growth of sales. Gains in fixed assets were particularly notable in the following categories: fisheries, 17.4 per cent; trading companies, 15.8 per cent; ceramic wares, 10.1 per cent; chemical fibers, 9.9 per cent; soda, 9.1 per cent; gas, and pharmaceuticals, respectively 8.6 per cent; and petroleum, 8 per cent.

Financial Positions Divergent

In capital liabilities, the strong tendency toward paying off of indebtedness was a notable feature. The increase in long-term borrowings for all companies stood at ¥23,000 million or 3.8 per cent, but this was mainly due to the heavy borrowing of some ¥24,600 million undertaken by the electric

3. BUSINESS

	Sales Amount per Worker		Net Profit per Worker		All Capital Profit Ratio		Average Paid Capital Profit Ratio (1)		Sales Amount Profit Ratio (2)	
	1st half, 1955	2nd half, 1955	1st half, 1955	2nd half, 1955	1st half, 1955	2nd half, 1955	1st half, 1955	2nd half, 1955	1st half, 1955	2nd half, 1955
	¥1,000	¥1,000	¥1,000	¥1,000	%	%	%	%	%	%
All Industry	1,396	1,592	50	60	3.8	4.3	37.4	41.4	3.6	3.7
Fisheries	1,879	2,225	114	120	6.5	5.9	33.1	32.8	6.1	5.1
Mining	689	828	30	40	4.9	6.4	43.7	55.4	4.4	4.8
Metal, Non-Metal	686	841	32	50	4.6	7.0	42.1	65.3	4.7	6.0
Coal	350	415	(-) 5	(-) 1.5	(-) 1.3	(-) 0.4	(-) 23.5	(-) 6.8	(-) 1.4	(-) 0.4
Petroleum	3,927	4,726	352	383	15.2	14.8	73.6	71.9	9.0	8.1
Construction	3,118	2,855	58	61	2.8	2.8	119.3	134.8	1.9	2.2
Manufacturing	1,686	1,212	56	67	5.2	6.0	44.5	50.5	5.1	5.5
Foodstuff	4,378	4,574	179	186	9.7	9.8	79.5	75.0	4.1	4.1
Flour	9,289	8,579	165	126	7.3	5.3	68.0	42.7	1.8	1.5
Sugar	10,430	10,655	426	460	11.4	10.7	83.9	85.1	4.1	4.3
Confectionery-Milk	1,877	1,775	51	45	6.7	5.3	56.9	44.4	3.1	2.6
Brewing	4,856	5,585	200	217	8.5	10.2	74.8	77.0	4.1	3.9
Oils	8,119	7,323	592	572	15.8	13.5	90.4	89.8	7.3	7.8
Spinning-Weaving	813	921	33	58	4.2	7.1	37.1	64.9	4.1	6.3
Cotton-Spinning	904	1,005	30	50	3.6	5.9	35.6	58.5	3.3	5.0
Synthetic fibres	759	868	67	79	9.1	10.1	70.5	83.4	8.8	9.1
Wool-spinning	761	819	62	67	7.8	8.1	70.4	73.3	8.2	8.1
Bast-hard-fibres-spinning	364	400	(-) 149	(-) 21	(-) 24.1	(-) 3.2	(-) 155.3	(-) 22.2	(-) 41.0	(-) 5.2
Pulp & Paper	1,651	1,725	135	135	7.7	7.4	56.6	55.5	8.2	7.8
Printing	557	595	28	29	7.9	7.4	68.7	69.7	5.1	4.9
Chemicals	1,068	1,111	62	64	5.8	5.8	48.5	46.8	5.8	5.7
Fertilizers	967	1,029	58	56	5.5	5.2	45.0	41.3	6.0	5.5
Soda	1,319	1,420	91	109	8.4	8.9	58.7	65.6	6.9	7.7
Fats-oils-paints	1,335	1,523	44	53	3.9	4.4	29.8	33.9	3.3	3.5
Medical Supplies	1,246	1,252	87	90	7.2	7.2	58.1	60.8	7.0	7.2
Other chemicals	986	985	52	50	5.2	5.0	48.6	42.2	5.3	5.1
Rubber Goods	1,020	1,252	11	38	1.2	3.6	12.1	36.0	1.1	3.1
Glass & Ceramics	1,292	1,336	163	159	10.6	10.0	61.6	60.2	12.6	11.9
Glass	1,150	1,395	140	173	11.0	13.0	62.9	77.5	12.2	12.4
Cement	1,921	1,837	248	202	10.2	8.0	58.9	47.5	12.9	11.3
Ceramics	461	521	55	69	12.9	15.1	83.8	107.4	11.9	13.3
Primary Metals	1,179	1,409	42	55	3.0	3.7	33.8	37.1	3.6	3.9
Iron-steel	1,186	1,419	39	52	2.8	3.5	32.6	36.0	3.3	3.7
Non-ferrous Metals	999	1,149	120	144	7.5	8.5	48.8	52.9	12.0	12.5
Machinery	796	897	42	50	4.8	5.8	33.7	41.5	5.3	5.6
Electric Appliances	868	995	45	53	5.0	5.6	35.5	41.2	5.2	5.3
Generator-Transmitter	766	872	36	40	4.1	4.3	33.0	34.6	4.7	4.6
Wires-Cables	1,544	1,842	60	76	4.3	5.2	25.2	31.6	3.9	4.1
Communication Tools	773	871	65	79	9.3	11.5	59.2	79.8	8.4	9.1
Transportation Machines	777	927	47	49	4.6	4.2	40.9	41.3	6.1	5.3
Automobiles	1,410	1,575	105	116	6.3	6.3	63.9	67.2	7.4	7.4
Shipbuilding-repairing	558	714	31	31	3.5	3.0	25.7	25.6	5.6	4.3
Rollingstock	430	506	20	20	3.6	3.3	40.2	33.7	4.7	3.9
Motor-bicycle-Bicycle	1,466	1,600	81	82	6.7	6.5	146.7	146.0	5.5	5.1
Precision Machinery	693	760	65	74	10.9	12.1	86.6	84.6	9.4	9.7
Wholesale & Retail	14,656	17,201	55	68	1.4	1.6	33.7	39.3	0.4	0.4
Commerce & Trade	35,253	41,051	95	117	1.1	1.2	37.2	41.1	0.3	0.3
Department-store	1,972	2,358	21	37	4.2	5.1	28.1	36.3	1.5	1.6
Real Estate	1,344	1,346	450	473	7.1	7.3	66.9	49.9	33.5	35.2
Transportation, Communica- tion, & Other Public Services	786	860	39	43	1.9	2.0	20.4	20.3	5.0	5.0
Electric Railway	363	363	27	28	4.0	4.0	29.9	30.2	7.5	7.6
Land Transportation	320	359	17	19	6.4	8.1	34.3	37.1	5.3	5.3
Sea Transportation	2,738	3,108	87	119	1.9	2.6	11.5	13.8	3.2	3.9
Warehouse	914	1,020	11	39	1.0	3.2	5.3	18.2	1.2	3.8
Electricity	876	973	44	45	1.3	1.3	17.7	19.0	5.1	4.6
Gas	1,621	1,488	96	116	4.9	5.9	31.9	23.4	5.9	7.8
Services	1,342	1,479	176	163	14.8	12.7	55.2	47.4	13.1	11.0
Movies	1,349	1,508	173	160	15.0	12.6	61.4	51.0	12.8	10.6
Amusement	1,234	1,140	217	193	13.0	13.7	24.9	57.9	17.6	16.9

Note: Calculating Methods (1) $\frac{\text{Net Profit} \times 2}{\text{Item}}$ (2) $\frac{\text{Net Profit}}{\text{Sales Amount}}$ (3) $\frac{\text{Sales Amount}}{\text{All Capital Used}}$ (4) $\frac{\text{Dividend} \times 2}{\text{Average Paid Capital}}$ (5) $\frac{\text{Financial Expense}}{\text{All Expenditure}}$

power companies; and with 22 out of the 47 categories of business listed there was a decrease in indebtedness. Topping the list of the categories with reduced borrowings was glass down 43.9 per cent, while with reductions of more than 10 per cent were: chemicals, brewing, petroleum, power transmission and distribution, railway rolling stock, pharmaceuticals, and printing. With short-term borrowings, whereas in the preceding term there was an overall drop of ¥37,600 million, the results for the term under review indicated a slight gain of ¥6,700 million or 1.5 per cent.

Categories with notable increase in short-term borrowings were: brewing (99.4 per cent), petroleum (32.0 per cent); pharmaceuticals, rubber, private

railways, and maritime transportation (more than 20 per cent); fisheries, construction, paper and pulp, fertilizer, cement, power transmission and distribution, motor vehicles, shipbuilding and repair, and motor cycles and bicycles (more than 10 per cent).

In use of funds, ¥93,200 million were expended for increase of fixed assets. This is ¥13,400 million more than in the preceding term. The amount going into increase of liquid assets stood at ¥76,300 million, down ¥56,500 million as against the preceding term. Consequently, outlays for fixed assets increased to 51.8 per cent, as against the 35 per cent of the preceding term; while conversely the allocation of funds to liquid assets went down to 42.4 per cent of the total, as against the 58.2 per

RESULTS

Turnover Ratio (3)		Dividend Ratio (4)		Interest Burden Ratio (5)		Current Ratio (6)		Fixed Ratio (7)		Number of Companies Surveyed
1st half, 1955	2nd half, 1955	1st half, 1955	2nd half, 1955	1st half, 1955	2nd half, 1955	1st half, 1955	2nd half, 1955	1st half, 1955	2nd half, 1955	
times	times	%	%	%	%	%	%	%	%	
1.1	1.2	14.1	14.1	3.5	3.0	118.9	116.6	134.4	137.2	238
1.1	1.1	14.7	14.5	3.8	4.5	116.1	105.8	157.4	184.6	2
1.1	1.3	14.4	17.5	3.6	2.9	115.6	112.7	137.6	136.3	17
1.0	1.2	14.9	17.8	4.0	3.1	136.2	133.0	113.8	113.8	7
0.9	1.1	—	6.7	5.5	4.4	95.8	92.6	235.8	235.4	5
1.7	1.8	20.0	20.0	1.6	3.3	117.9	114.1	93.4	94.4	5
1.5	1.3	18.4	18.4	1.5	1.3	94.6	94.9	167.2	165.8	3
1.0	1.1	15.9	15.8	4.0	3.3	133.1	130.8	99.7	100.2	157
2.4	2.4	21.8	21.5	1.1	1.3	111.5	114.0	99.0	96.0	19
4.1	3.6	20.0	18.2	1.3	1.3	139.7	143.1	80.1	84.0	3
2.8	2.5	25.2	25.2	0.8	0.7	94.2	93.6	118.4	117.8	4
2.2	2.1	16.1	15.2	1.7	1.5	97.7	99.3	111.8	113.8	4
2.1	2.6	20.6	20.5	2.0	1.4	108.1	109.7	98.1	95.7	4
2.1	1.7	22.3	26.7	0.2	0.3	145.0	138.1	47.8	48.1	2
1.0	1.1	19.1	19.9	3.7	3.0	133.3	131.1	94.1	97.0	23
1.1	1.2	19.6	19.7	3.4	2.7	131.9	131.4	93.3	94.5	10
1.0	1.1	20.4	21.5	3.2	2.7	154.1	135.3	101.3	108.2	6
1.0	1.0	22.7	22.6	4.9	4.1	128.4	131.0	70.1	67.6	4
0.6	0.6	4.3	2.5	7.7	9.8	96.4	106.4	98.7	107.4	3
0.9	0.9	17.6	17.3	4.7	4.2	129.8	120.8	107.4	111.1	10
1.5	1.5	21.7	21.7	1.6	1.6	102.6	95.0	115.4	120.2	2
1.0	1.0	15.4	14.9	4.7	4.5	128.9	121.7	115.9	116.5	29
0.9	0.9	16.2	15.0	4.9	5.0	125.8	115.4	132.4	137.8	7
1.2	1.2	16.7	16.5	3.5	3.2	125.6	118.7	108.0	115.4	5
1.2	1.3	10.0	9.3	4.6	4.3	111.8	112.5	107.7	110.7	4
1.0	1.0	14.7	14.3	4.4	4.6	140.2	134.4	68.3	70.9	5
1.0	1.0	15.4	15.5	5.0	4.6	132.0	124.2	118.4	110.9	8
1.1	1.2	7.8	9.3	4.5	4.3	121.0	120.3	114.9	111.0	3
0.8	0.8	20.3	19.6	3.1	3.1	108.8	102.2	119.0	113.2	8
0.9	1.0	20.0	20.0	2.0	1.6	131.8	126.0	82.1	82.3	2
0.8	0.7	20.0	18.9	3.8	4.4	91.9	85.1	116.5	117.5	3
1.1	1.1	25.2	25.2	2.3	1.8	162.2	147.3	53.5	63.8	3
0.8	1.0	10.3	10.5	6.4	4.1	139.9	141.4	112.8	111.2	12
0.8	1.0	10.4	10.6	6.5	4.1	140.2	141.3	114.2	112.4	9
0.6	0.7	9.2	9.5	2.7	2.8	129.1	141.3	95.4	95.6	3
0.9	1.0	14.0	14.5	3.3	3.0	143.2	145.4	77.7	77.1	12
1.0	1.1	14.9	15.0	4.2	3.7	146.0	141.2	86.7	84.9	16
0.9	0.9	14.6	13.9	4.5	4.1	144.4	139.0	92.2	89.8	6
1.1	1.3	13.0	12.8	4.2	3.5	163.5	158.0	72.3	71.6	5
1.1	1.3	18.7	22.0	3.3	3.0	132.5	131.3	83.9	83.2	5
0.8	0.8	13.5	13.5	8.4	3.3	135.0	132.8	79.7	79.7	18
0.8	0.9	17.5	17.6	2.9	3.6	131.6	134.6	75.8	74.2	5
0.6	0.7	11.2	11.3	4.0	3.2	146.0	136.2	78.7	82.2	7
0.8	0.8	14.7	13.7	5.7	5.1	115.7	115.1	68.5	66.3	2
1.2	1.3	25.3	25.3	2.3	2.4	105.8	117.4	102.9	85.1	4
1.2	1.2	19.9	19.2	3.1	2.3	161.6	168.2	66.4	63.0	5
3.8	4.2	15.3	15.3	1.0	1.0	100.1	101.4	111.6	117.5	15
4.0	4.3	13.8	14.0	1.0	1.0	100.9	102.3	100.4	106.6	8
2.9	3.2	17.6	17.5	1.0	1.0	89.1	87.7	122.1	128.9	7
0.2	0.2	15.0	14.3	11.7	11.2	97.9	120.3	149.9	136.4	3
0.4	0.4	10.0	9.8	8.6	8.0	89.5	80.6	180.5	187.8	32
0.5	0.5	12.3	12.3	4.1	4.8	60.4	55.6	134.5	141.6	8
1.2	1.5	16.0	16.0	2.6	2.1	109.2	102.8	101.6	116.5	1
0.6	0.7	—	0.5	8.6	6.0	77.6	72.8	400.7	365.3	8
0.8	0.8	8.6	8.6	2.3	2.7	97.2	97.4	118.4	119.7	3
0.3	0.3	12.0	12.0	11.3	11.2	89.8	78.8	175.4	184.7	9
0.8	0.8	15.0	13.1	4.8	4.5	110.7	118.4	158.4	149.7	3
1.1	1.2	18.2	16.8	1.5	1.8	106.2	112.1	107.5	107.2	9
1.2	1.2	19.8	18.0	1.5	1.8	108.1	114.8	106.9	106.4	5
0.7	0.8	10.3	10.4	2.1	1.7	74.5	70.0	112.5	114.1	4

(6) $\frac{\text{Current Assets}}{\text{Current Liabilities}}$ (7) $\frac{\text{Fixed Assets}}{\text{Owned Capital}}$ Foodstuff column includes two other companies not expressly represented.

cent of the preceding half year.

The reason for the gain in liquid assets being smaller than in the preceding term was the small increase in current assets, at only ¥30,000 million a third of the ¥93,600 million increase of the preceding term. A further breakdon of this particular item shows that there was a drop in cash and deposits by some ¥18,700 million as against the gain of some ¥6,700 million in the preceding term; while the gain in notes receivables, and receivables on sales was only ¥47,800 million as against the ¥85,100 million of the preceding term.

This was due to the allocation of part of the funds on hand to plant build-up and to write-off of loans; while it is also indicative of increase in cash

settlements and of shortening of note redemption time. Consequently, there was a speed-up of the sales assets turnover to 7.3 times as against the 7 times of the preceding term.

As for the sources of funds, of the total sum of ¥180,000 million outlayed in the term under review only ¥47,500 million or 26.4 per cent came from own capital resources, and the remaining ¥132,400 million or 73.6 per cent resulted from increase in indebtedness. This was because, for the term under review, it was again impossible to undertake expansion of fixed assets with own capital; so with increased dependence on outside sources of capital the fixed liabilities ratio rose to 137.2 per cent as against the 134.4 per cent of the preceding term.

4. USES AND SOURCES OF BUSINESS FUNDS, ALL CATEGORIES (In ¥100 million)

	2nd Half 1954-55	1st Half 1955-56	2nd Half 1955-56
Uses			
For: Fixed Assets	950	798	932
Tangible	793	613	742
Intangible	20	9	19
Investment	137	176	171
Liquid Assets	904	1,328	763
Current	760	936	300
Inventoried	—	—	343
Other	144	392	120
Deferred Accounts	10	21	—
Reduction of Capital Surplus	—	130	105
Total	1,864	2,277	1,800
Sources			
Capital Funds	559	590	475
New Capital	512	344	199
Capital Surplus	39	—	—
Profit Surplus	8	246	276
Borrowings	942	1,412	1,324
Liquid Liabilities	252	799	929
Debentures Issued	62	149	158
Long-Term Debts	628	464	237
Reduction of Inventoried Assets	363	275	—
Reduction of Deferred Accounts	—	—	1

The reason for the increase in liquid liabilities was the gain of ¥6,700 million in short-term borrowings as against the ¥37,600 million reduction of such borrowings in the preceding term. The increase comes to ¥38,800 million when notes payable and payables on purchases are added; but this is a decrease of ¥17,900 million as against the preceding term. This is indicative of the fact that in the term under review the build-up of facilities was undertaken by means of, in addition to own capital and long-term borrowings, short-term credits at greatly reduced interest rates. The result was that in capital structure the proportion held by own capital went down to 39.9 per cent as against the 40.8 per cent of the preceding term, while liabilities went up to 60.1 per cent, as against the former 59.2 per cent. Consequently, the overall ratio of liabilities to capital also worsened from the 143.3 per cent of the preceding term to 150.4 per cent.

Labor Movement Trends

SOHYO (General Council of Japanese Trade Unions) with a total membership of about 3 million workers, and Zenro (Congress of Trade Unions of Japan) covering about 600,000 workers, represent respectively the left and right wings of the Japanese labor movement. The strategy of these two giant federations for the current year became clarified recently at the Zenro convention of July 26-28, and the Sohyo convention of August 25-28.

In regard to workers' pay, both Sohyo and Zenro advocate immediate adoption of the minimum wage system. This is nothing new since the minimum wage has been a labor slogan ever since the war.

Sohyo views in connection with the minimum wage system this year are not basically different from the contentions of the past. It appears to be somewhat unrealistic, no matter how much better the economic situation may be, to demand a uniform ¥8,000 for every worker the moment he or she reaches the age of 18. That this is asking too much can be seen from the fact that even with big enterprises employing thousands of workers the ¥8,000 minimum advocated by Sohyo is far from general practice.

Nevertheless, with the general business situation greatly improved since mid-1955, and with the economy indicating signs of stability for the first time since the war, the conditions appear to be tending toward acceptability of the minimum wage system which is common practice elsewhere.

Minimum Wage System

Because "demands...are unwarranted in some cases," Sohyo plans before enforcement of the minimum wage system to make demands for minimum guaranteed industrial wages for the various categories of industry. But because Japan's labor movement has to date been mainly in connection with big business, it appears likely that such a move will merely widen the disparity in pay between the large and the small. In this event, the action

will tend to go against the original idea of setting up a minimum wage system, with government backing, in order to bring relief to the underprivileged workers in the small marginal businesses.

Zenro, on the other hand, thinks in a much more realistic way. Without advocating an across-the-board minimum of ¥8,000 like Sohyo, it urges that where organization has progressed or where regional conditions permit, the labor unions should come to separate agreements with management for establishing minimum levels for specific industries; that the legal minimum wage should be enforced only in the case of workers employed by marginal enterprises which are beyond the scope of organized labor. Zenro's contention that action be taken to push the Government and the Diet for early completion of the recommendations of the Central Wage Deliberation Council has not been changed.

A feature of Zenro's stand in connection with the minimum wage problem this year is that "immediate enforcement" of the system is urged. It is contended that postponement by reason of the foreseeable difficulties amounts to nothing more than slowness on the part of management and apathy on the part of the Government. "In so far as the setting up of the system is the main objective, the immediate action should be aimed at rejection of any thinking that obstructs the establishment of the system."

It goes on to argue that once the minimum wage system is legally established the small businesses, which to date have tended to shift on to labor the losses resulting from big business or parent organization price cutting and payment delays, will be put in a much better position to stand firm on equitable prices, and this should result in better and fairer social distribution of profits, with the big businesses getting less than heretofore. This reasoning on the part of Zenro appears to be justifiable.

Reduction of Working Hours

As for the problem of working hours, the first to make a bid for shorter working time was Zenro (in February 1956); and it plans to undertake an active movement in this direction.

The Zenro action would call for resistance to the present system of 48 hours restricted time per week, and would at the same time urge strong opposition to the debasement of the Labor Standards Law.

The movement for shorter working time is a world trend, and the target normally is the 40-hour week. In the United States the objective now is to achieve the 35-hour week. The Zenro target is 42 hours per week.

To keep up with this move, Sohyo later came out with its own plan which calls for a 40-hour week, the same as in other countries. At the time Zenro first came out in favor of reduced work hours, Sohyo appeared to take no notice; but now, all of a sudden, shorter working time is one of Sohyo's basic policies, and at least on the surface, as in the case of the minimum wage, the right wing approach is being emulated.

Full Employment Measures

Both the minimum wage system and reduction of work hours are actions calculated to lead to fuller employment. Zenro's thinking on this score is that the surplus labor, which is a feature of the Japanese economy, must be absorbed into useful work through expansion of the economy, that nothing else offers a basic solution.

These problems, according to Zenro, cannot be solved individually by specific enterprises, and therefore labor organization should be strengthened horizontally by the creation of craft and special skills unions to facilitate the bonding together of workers employed by the diverse enterprises. Today, because Japan's labor unions are mainly organized on a company or industry basis, it is almost impossible to deal with the problems of coordination. Consequently, it will be essential first of all to shed the crust formed by company and industrial unions.

With Sohyo, however, there has been no analytical study of the situation as undertaken by Zenro. Sohyo takes the extreme stand that full employment must be kept up by adamant opposition to the dismissal of even a single worker. Consequently, its position differs radically from that of Zenro which recognizes the inevitability of a certain amount of unemployment resulting from industrial growth and shifts in the pattern of industry.

Productivity came to be taken up as a problem about two years ago; and with the formation of the Japan Productivity Center in March last year the ground was laid for expanding this movement, with public interest focused on the proceedings.

Better productivity means more efficiency which leads to lower cost, lower price, and higher real pay for workers. At the same time because commodity prices will come down, competitive strength in world markets will increase, and trade volume will undergo expansion.

However 1) if the number of workers and the amount of facilities are kept constant and production is boosted it will mean that the workers are

being driven to harder work; 2) if industrial facilities are improved without increasing output a number of idle hands will result to create unemployment; and 3) if productivity goes up and profits become bigger the workers should be given their rightful share of the gains. These are the contentions of labor.

Sohyo believes that with any of the above hypotheses labor will lose out, so it is inexorably opposed to the productivity movement. Also the fact that the Japan Productivity Center's activities are partly supported by United States aid makes it difficult for Sohyo, which tends toward anti-Americanism, to accept the productivity movement wholeheartedly.

United Front Unlikely

Zenro's position in respect to the productivity movement is quite different. It holds that the overall situation is such that the trend toward higher productivity cannot very well be rejected. New techniques will inevitably be adopted by industry, facilities will be improved, and radio-isotopes will be utilized to further efficient production; and in consequence there may occur in spots such undesirable side-effects as unemployment and enforced job shifts. But should betterment of productivity be unequivocally opposed, enterprise would lose competitive strength and ultimately go bankrupt.

Zenro maintains, of course, that work force reduction and tightening of working conditions alone for increasing industrial efficiency cannot be condoned, and that the profit resulting from higher productivity must be fairly distributed. It is therefore Zenro's stand that in order properly to coordinate the trend toward improved productivity a national movement is needed, with the collaboration not only of labor, management, and the Government, but also of the general public.

There are, of course, some segments of Zenro, such as the Zensendomei (National Federation of Textile Workers Unions) which are opposed to the productivity movement. Consequently, Zenro is not unequivocally cooperating with the Japan Productivity Center. Nevertheless, at its recent convention Zenro definitely came out in favor, basically, of the productivity movement.

In any event, it is manifest that with the productivity movement bringing out the key difference there does exist a wide gap between the realistic approach taken by Zenro and the idealistic, formula-based position adhered to by Sohyo.

Sohyo, nevertheless, is incessantly urging and working toward a unified front; and the recent moves made to fall in step with Zenro in such matters as minimum wage and shorter work hours are interpreted as reflections of this general strategy. But since fundamental differences in thinking are in evidence it seems unlikely that the two federations will ever combine to form a united front.

Economic White Paper

It has been commented that the Economic White Paper, 1956 (covering fiscal 1955-56) is somewhat volitionally biased. In order, therefore, to facilitate interpretation of the facts and figures presented, the seven key presuppositions which served as the theoretical framework of this report will first be enumerated.

1. The theoretical core of the recent Economic White Paper is the doctrine of the business cycle.

2. The Japanese economy is observed from a new viewpoint, that we are no longer in the post-war recovery phase.

3. New emphasis has been brought to bear upon expansion and consolidation of the domestic market.

4. The thinking prevails that a new boom, engendered by the technological revolution (utilization of atomic energy for peaceful purposes, automation, &c.), is in the process of being launched.

5. The basic view is that the growth of the economy will be supported by modernization or transformation.

6. It is anticipated that the center of industrial activity will shift to production of machinery.

7. It is held that in formulating the five-year economic plan the past emphasis on recovery and rehabilitation should now be shifted to improvement of productivity and speed-up of the growth rate, and that the relationship between rates of growth of export, investment, and government finance should be carefully studied.

How then does the Economic White Paper, written from the above viewpoints, analyze the Japanese economy, its course of development, its present status, and its future progress?

Three Features of 1955

In order to present matters in correct sequence, the Economic White Paper first gives an explanation of the course of Japan's economic development during fiscal 1955-56.

It has been said that the year 1955 was Japan's best year since the war, and this observation is based on three major achievements: improvement of the nation's payments position; expansion of economic activities without a corresponding rise in prices; and the virtual disappearance of over-borrowing from the Bank of Japan. These then were the three outstanding features of the economy in 1955.

Japan's balance of payments showed a surplus of \$535 million (\$326 million when payments deferred through usances, and the acceptance of United States farm surpluses are considered). Export trade in fiscal 1955-56 increased by 31 percent over the preceding year, a growth rate exceeded only by Singapore and Malaya; while increase in import

volume was held down at 11 percent of the 1954-55 amount. Special procurements (United States Government offshore procurement and dollar spendings by U.S. Security Forces and personnel in Japan) stood at \$570 million, at about the level of the preceding year. Consequently, Japan's foreign exchange holdings at the end of fiscal 1955-56 (March 31) stood at \$1,406 million worth (of which \$886 million were in U.S. dollars).

The internal factors making for this notable growth of export were in the main two: the pressure created by the failure of domestic demands to grow appreciably, and the increase in competitive strength resulting from improved efficiency of industrial operations. External causes were: 1) the continuing wave of prosperity in the United States, 2) the growth in intra-European trade, due to high business activity, which tended to check export sales out of the European area, and 3) the improvement in purchasing power of the primary commodities exporting nations as a result of high export volume.

Although it is not mentioned in the White Paper, the Economic Planning Board is of the opinion the growth of Japan's export trade in fiscal 1955-56 was due 70 percent to external causes, and only 30 percent to internal factors.

The main problem at the present stage is that Japan does not as yet possess stable and dependable export markets. Moreover, since Japan's competitive strength in overseas markets tends to be inadequate, the nation is in the unenviable position of a marginal supplier, always seriously affected by the fluctuations of world business activity. When prosperity prevails, customers abound, but sales plummet when depression strikes.

Nature of the Quantitative Boom

The 1955 boom, starting with the high activity of the export industries, steadily spread throughout all domestic businesses and resulted in the so-called "quantitative" prosperity. The Economic White Paper analyzes this phenomenon from various angles.

First, in the area of government finance and business credit, the Budget General Account was balanced, with only some ¥100 million overdisbursed. But because of booming export and the bumper crop the outflow of Treasury funds exceeded withdrawal from the public by some ¥276,800 million. This large surplus in the hands of the public resulted in a sharp increase in credit institution deposits; while because there was a slump in loan requirements the city banks were able to undertake heavy repayment of borrowings from the Bank of Japan. Consequently, in the second

half of fiscal 1955-56 the money situation became relaxed, and there was a notable decline in money rates.

Second, with investment requirements, fiscal 1955-56 marked the start of the harvest period for the industrial improvement investments that had been made back in 1952-53 and 1953-54. Consequently, industrial management tended toward cautiousness, and there was little positive investment in plant.

However, in the second half of fiscal 1955-56 there was a slight pick up because shortages in capacity began to appear and the future market outlook seemed more dependable.

Third, in consumer spending, there was a gain of only 5 percent over the preceding year, due for one thing to the lag between the advent of prosperity and rise of the pay level, and for another to the lag between income and outgo. Consequently, consumer spending fell considerably behind export, production, and national income in growth.

Fourth, as against the above trend indicated by demand, there was a marked improvement in supply, with mining and manufacturing up 12 percent over fiscal 1954-55, and farm production up 18 percent. The result was that prices remained relatively calm at a reasonable level. Of the gain in industrial output, 25 percent was directly due to export, while it is estimated that from 50 to 60 percent was also caused indirectly by booming overseas sales of Japanese products.

Fifth, in employment the quantitative boom brought about an increase of some 1,460,000 workers during 1955-56. The increase in people of productive age was 1,360,000, and this in the past would have swollen the labor force by about 900,000 persons. Here again can be seen the effects of prosperity.

Nevertheless, it must be noted that increase in workforce took place as heretofore mainly among the small and marginal businesses, and employment by the larger enterprises did not increase appreciably. Another noteworthy fact is the wide difference in pay between the large enterprises and the small.

1. ECONOMIC RECOVERY INDICES (1934-36=100)

	Fiscal 1953-54	Fiscal 1954-55	Fiscal 1955-56
Real National Income.....	130	134	149
Mining & Manufacturing	161	167	187
Farm Production.....	97	108	127
Export Quantity	43	59	75
Import Quantity	89	81	94
Consumer Spending Level.....	109	112	118
Population.....	126	128	130

Note. Base period for farm production, 1933-35.

How then does Japan stand in relation to the rest of the world? According to Table 1, the vital statistics for fiscal 1955-56 were, with the prewar (1934-36) average used as the base: real national income, 149; mining and manufacturing, 187; farm

production, 127; export volume, 75; import volume, 94; consumer spending, 118; and population, 130.

In the ten years since the war, the Japanese economy has been growing at the annual rates, on the average, of 11 percent in real national income, 22 percent in mining and manufacturing production, and 44 percent in export. Such phenomenal growth has been seen only in West Germany and Japan, and this was the outcome of such varied factors as internal reconstruction requirements, increase in export sales with restoration of relations with the outside world, utilization of available idle plant facilities, United States aid, Reconstruction Finance Bank financing, Etc.

However, these special postwar circumstances attendant upon defeat, occupation, recovery, and restoration of international ties have about disappeared; and it seems likely that the high rates of gain shown by both domestic demands and export requirements will taper off fairly rapidly.

If demands fall off, the climb of production will inevitably be slowed down, and inducements to invest will recede. Investment means productive capacity on the one hand and the creation of effective demand on the other. Decline in investment will result in reduction of purchasing power, and should growth of requirements be halted, this will cause a further diminution of investment to create a vicious circle resulting in lowered rate of growth of national income.

With the national economy restored to the present level, the view is that there will probably be an unavoidable attenuation of the power to develop, and the indications of the business cycle will become increasingly noticeable.

Changes in Economic Pattern

The economy, with the sole exception of foreign trade, has recovered and surpassed the prewar level, and at the same time there have occurred major changes in the economic structure. This change in configuration is due to altered circumstances and environment, among which can be counted the dissolution of the "zaibatsu," democratization of labor, farm reform, loss of colonial territories, and long isolation from world markets.

Take for instance the accumulation of capital by enterprises. Table 2 shows that as against prewar the proportion of own to outside capital has become extremely low. In addition to the failure adequately to revalue corporate assets to fit the monetary scale, the speed of economic growth has been so rapid as to cause huge annual requirements for additional capital funds. This has caused heavy dependence on outside sources of funds, which, together with the demands of organized labor, has brought about a diminution of corporate earning power.

From Table 2 it will be seen that even in West Germany, which undertook complete revaluation of assets by means of thoroughgoing monetary

reform, the speed of economic growth has caused business to seek outside loans to keep up with the pace.

2. CHANGES IN CAPITAL STRUCTURE OF BUSINESSES (Percentages)

JAPAN (Manufacturing)	Outside Capital	Own Capital
1st half, fiscal 1936-37	34%	66%
1st half, fiscal 1948-49	91	9
1st half, fiscal 1951-52	65	35
1st half, fiscal 1953-54	65	35
1st half, fiscal 1954-55	61	39
1st half, fiscal 1955-56	59	41
WEST GERMANY		
1932.....	42	58
1950.....	42	58
1951.....	49	51
1952.....	50	50
1953.....	52	48

With foreign trade, Japan's dependence on trade before the war was, for both export and import, about 23 percent. However, in fiscal 1955-56, these figures were only 11 and 14 percent respectively. This also is indicative of the overall change in economic structure with shifts in the relative weights of industry, trade, and consumer spending.

Modernization Means Prosperity

The economic growth rates of the industrial nations of the world have diminished somewhat as compared to the immediate postwar period, however, the overall level is still considerably high as against prewar. Real national income in the United States in 1955 went up by 6 percent (as against the slightly under 3 percent of prewar), while with the European nations also the gains in the past few years have been at about 5 to 6 percent (as against the 1 to 2 percent of prewar).

One reason for this is that government measures for economic advancement have been intensified but more significant are the growth of the purchasing power of the general public, the rising sales volume of durable and semi-durable consumer items, and the heavy investment in new plant facilities to keep up with the revolutionary strides of technology. These are the props of the current world prosperity, and the motivating force behind investment in plant is the technological revolution caused by peaceful application of atomic energy and by highly automated methods of production.

The Economic White Paper notes in connection with the business prosperity in Japan that the symptoms recently visible in the money market are warnings against too rapid an expansion of the economy if this growth is to be undertaken without endangering Japan's payments position and without causing an inflationary rise in prices. It expresses the view that so long as bankers and businessmen heed these warnings and act accordingly there appears to be no immediate danger of inflation, provided of course the national budget is maintained in proper balance.

The warning is sounded, however, that the situation does not warrant unqualified optimism in regard to Japan's payments position since there is now taking place a worldwide investment boom, and that with these investments soon to begin yielding products at a high rate Japan as a marginal supplier will be faced with intensified competition in world markets.

The Economic White Paper points out that with the postwar recovery phase of Japan's economic development at a definite end it will be necessary if further growth is desired to undertake a general modernization or transformation of the economic structure, not only in the area of engineering, technology, and production, but also in the field of consumer spending.

To this end it will be necessary to maintain a high level of investment; for unless national income and employment are kept on an uptrend in this manner it will be difficult to create demands high enough for progressive development and growth of the economy as a whole.

The White Paper warns, however, the too rapid a rate of growth is dangerous, that therefore it will be essential to determine the correct speed, which will neither worsen the payments position nor cause inflation. From this standpoint, it will be necessary to review the five-year economic plan particularly in regard to its past emphasis on reconstruction and rehabilitation. Also, consideration must be given to utilization of foreign exchange holdings to adjust for short-term fluctuations in business activity.

Construction Programs Still Sluggish

THE Ministry of Construction has, as it does every year, compiled and published its "Status of National Construction Projects," summarizing the actions taken in regard to riparian works, highways, city and town planning, housing, reclamation projects, etc. This report, in almost every phase, dwells upon the lack of adequate funds.

Maintenance of Rivers

In the past two years, Japan has not suffered seriously from floods. But up to 1953 heavy damage from flash floods and inundations was an annual

affair, with 1953 the worst year when damage and losses came to an estimated ¥560,000 million.

The cumulative total of losses caused by floods since 1946 through 1955 is given in Table 1; and the average annual damage from water out of control involved 8,000 persons, 700,000 *Chobu* (*Chobu*=2.45 acres) of terrain, 540,000 dwellings, and 510,000 *Chobu* of farmland to cause an estimated loss of ¥240,000 million.

This tremendous loss was the result, not only of natural conditions, but of the neglect during

the war to undertake adequate flood control measures such as proper reforestation and river maintenance.

1. FLOOD DAMAGE STATISTICS, 1946 THROUGH 1955

Total number of casualties.....	84,827 persons
Inundated area.....	7,065,000 <i>Chobu</i>
Damaged dwellings	5,404,000 units
Damaged farmland.....	5,110,000 <i>Chobu</i>
Washed away or silt-covered	430,000
Inundated	4,680,000
Damage to Public Facilities	¥ 1,069,700 million
Other general damage	¥ 1,334,700 million
Total damage.....	¥ 2,404,400 million

It is not that the successive Governments since the war were unmindful of flood control. In 1949, a ten-year plan for riparian works was formulated and budget appropriations for this purpose were increased each year. Nevertheless, the effort and outlays proved to be insufficient, for the worst floods of all were experienced in 1953. The Government then decided that adequate countermeasures would have to be taken, and with the formation of a flood control council a comprehensive plan including the riparian and forestry projects of the Forestry Board was adopted. This ten-year program calls for an outlay of ¥1,800,000 million (of which ¥1,169,000 million will be used for river control, and dike and embankment construction).

Work was started in 1954, but as of the end of 1955 progress was such that as against the schedule the achievement rates were: 5.6 percent for riverbank repairs, 10.5 percent for dam construction, and 3.6 percent for sand dune control, with only 5.6 percent of the budgeted amount spent. Even with the amount appropriated for fiscal 1956-57 included, there will be completed only 8.5 percent of the original project.

The damage sustained by public facilities such as riverbanks and waterways, seawalls and embankments, sand dune control works, highways, and bridges is estimated to average ¥80,000 million each year, and although about ¥30,000 million in national funds are spent each year for repairs and maintenance the restoration work never really catches up with the destruction. The achievement rate for reconstruction work to restore the facilities damaged in 1950 stood at only 86 percent (the 1955 rate, 28 percent). Consequently, the unspent balance of appropriations for reconstruction work totalled as of March 31, 1956 some ¥79,600 million. This delay in repair and restoration work tends to make future damage all the more costly.

While Japan during the rainy season suffers from excess of water and floods, there is a definite shortage of water for electric power and farming during the dry season. Consequently, it is necessary to plan and construct multipurpose dams. Up to fiscal 1955-56 some ¥82,800 million went into the construction of such dams, of which 20 were completed. The economic value of these multipurpose dams is indicated by the estimated benefits: supply of water to 64,000 *Chobu* of farmland, 12,000 *Chobu* of newly developed paddy fields, annual increase in rice yield of some 230,000 *Koku* (*Koku*=4.96 bushels), and annual production of 1,600,000 megawatt-hours of electric power.

When the 26 dams now being built on 24 rivers

are completed, the newly irrigated area will increase by 124,000 *Chobu*, new paddy fields will total 11,700 *Chobu*, increase in crops will be 525,000 *Koku* of rice and 32,000 *Koku* of wheat, while 2,200,000 megawatt-hours of power will be produced.

Highways and Dwellings

Everyone knows that poor roads and highways cause the nation high losses both direct and indirect. The current program for highways improvement calls for widening and surfacing of 6,225 kilometers of first class national roads. Of these only 32 percent of the sections over 7.5 meters in width have been completed, while with the sections over 5.5 meters in width (permitting two way traffic without excessive slowdowns) only 43.6 percent have been improved. Surfacing, including semi-permanent asphalt coating, only 24.9 percent has been completed.

Of the 24,092 kilometers of national roads, including the second class roads, only 31.7 percent have been improved by widening to over 5.5 meters, and only 16.7 percent have been surfaced. Of the prefectural roads of over 5.5 meters in width, improvement has been completed on 11.8 percent only. With town and village roads, 80 percent are incapable of handling motor vehicle traffic.

Motor vehicles, on the other hand, are rapidly increasing in number. As of February 29 this year there were in operation 1,490,000 vehicles (not including United States Security Forces vehicles). This is 11 times the 135,000 vehicles running as of March 31, 1945, and 6.7 times the prewar peak of 222,000 as of March 31, 1938.

The five-year highways maintenance plan was adopted by the Cabinet in May 1954; and completion of this project up to March 31, 1956 stood at 43 percent.

As for dwellings, there were newly built in the eleven years since the war a total of 4,200,000 units. According to a survey made in August 1955 there is still a shortage of 2,700,000 units. A breakdown of this shortage indicates that 140,200 households were living in non-dwelling structures, 670,000 households were sharing dwellings with other households, and 770,000 households were living in excessively cramped quarters (dwelling space not more than 9 mats—one mat=18 square feet—with less than 2.5 mats per person), while 1,126,000 households were using overage, condemned or dangerous dwellings.

The Government with a view to ending this shortage of dwellings in ten years, and in order to meet the annual requirement of 250,000 new units, set up a program for the completion of 420,000 units during fiscal 1955-56 (actual achievement 400,000 starts including expansions of existing housing). The target for the current fiscal year is completion of 430,000 units.

2. DWELLING UNITS BUILT, 1945 THROUGH 1955

Public Housing Projects	497,318
Government Financed Units	308,238
Government Housing Project	20,000
Welfare Annuity Financed Units and Others	406,640
Subtotal	1,232,193
Private Construction	3,006,954
Total	4,239,147

Note: New units only, expansions not included,

Kaleidoscope

90 million Japanese:—The Japanese population just reached the 90,000,000 mark as of July 1, 1956, according to the announcement by the Bureau of Statistics of the Prime Minister's Office. The per-square-kilometre density stood at 243, ranking third in the world (next to the Netherlands and Belgium). In other words, Japan's population gained by about 18,000,000 during the 11 years since the war's termination in 1945 when the total stood at 72,100,000. The notable expansion of population after the war was partly due to the sizable influx of repatriates and displaced persons which reached 6,000,000 and the high birth rate maintained until about 1948. The natural increase has been marking time in recent years with the annual gain standing still at about 1,000,000, about 40% less than the peak in 1948 and 1949 with possibility of further slipping in the future. The Bureau of Statistics estimates that the population will attain the 100,000,000 mark in about 1970.

Traffic Accidents:—There were 9,274 traffic accidents in Tokyo involving 384 deaths, 2,703 seriously injured and 4,387 lightly wounded during the six months from January to June, this year, according to the latest announcement of the Tokyo Metropolitan Police Board. Damages due to such accidents reached ¥176,000,000. The first-half total was a gain of 28% over the corresponding period in 1955 with deaths up 6%, serious injuries up 20% and light wounds up 35%. Taxi cabs were responsible for over 28% of the total number of accidents. Hit-and-run cases numbered 851 in the 23 wards of the metropolitan area (up 26 over a year ago) and 71% of hit-and-runners were arrested. Busy commercial centres in the heart of the metropolis were responsible for 17% of the accidents.

Cocoon Production:—The production of summer-autumn cocoons for the current silk year is estimated to reach 6,523,000 kan (1 kan=3.75 kgs.), up 10.8% over the last silk year and a new postwar high, according to the forecast made by the Ministry of Agriculture and Forestry. The production of egg-cards is also estimated to gain 8.4% over a year ago, it was additionally revealed. The abundant supply of mulberry leaves and the high prices of spring cocoons were the two major stimulants for the fair crop of summer-autumn cocoons.

More Deposits:—There were some 40,114,000 deposit accounts registered with all banks throughout the country as of the end of March, this year with the per-account balance standing at ¥97,000, according to the Bank of Japan. The per-account balance has been steadily increasing from ¥81,000 a year ago to ¥86,000 as of the end of September, 1955, indicating the increasing savings-mindedness on the part of the masses.

Plenty of Apples:—An unprecedented bumper crop of apples is reported from Aomori Prefecture in the northern part of the country. The estimated crop this year is placed at 24,823,000 cases as compared with the 1951-55 annual average of 12,000,000 cases and the past postwar peak of 21,670,000 cases in 1952. The growth has been extremely favorable due to fair weather conditions and the total production may hit the 26,000,000-case mark.

New Submarine:—The Defense Agency has decided to have a new submarine, the first to be built after the war, constructed by Kawasaki Dockyard. The new sub is due to be completed by fiscal 1958 at the total cost of ¥2,718,000,000 (¥456,000,000 in fiscal 1956, ¥1,365,000,000 in 1957 and ¥897,000,000 in 1958). The details of the new submarine are as follows: the basic displacement, about 1,000 tons; maximum speed, 13 knots (surface) and 19 knots (under water) as com-

pared with the prewar world average of 8 knots; cruising radius, 5,000 miles (surface) at the average speed of 10 knots per hour; safe submersible depth, 150 metres (100 metres before the war); torpedo tubes, four. The underwater ship will be a Schnorkel sub, 70 metres long and eight metres wide, and will be manned by a crew of about 65.

Calcium Cyanamide:—The production and delivery of calcium cyanamide in the 1955 fertilizer year (August, 1955 to July, 1956) hit new postwar peaks at 525,517 tons and 512,941 tons, respectively, according to the Calcium Cyanamide Manufacturers' Association. Due to the general consumption gain of nitrogenous fertilizers, the domestic deliveries eclipsed the previous year by 9.6% to top the 500,000-ton mark for the first time. Exports, on the other hand, sharply slipped due to the predominance of domestic demands.

Productivity:—Labor's productivity in 1955 were generally up in nine key industries, according to the latest survey by the Ministry of Labor. The survey revealed that the working hours for a specific unit of production in key industries in 1955 were down 11% in iron smelting, 16% in paper, 10% in paper board, 15% in midget cars (chassis), 15% in rayon staple, 20% in metal rolling and, 7% in ammonium sulphate and cotton spinning. Larger production due to increasing consumption, better production equipment and improved technique were responsible for the higher productivity.

Interest Burden:—The interest burden on major industries for the second half of fiscal 1955 (October, 1955 to March, 1956) was comparatively lightened due to the easy money situation and the marked dip of money rates, according to the Ministry of International Trade & Industry. MITI disclosed that the average interest burden in 131 key industries (the percentage of the cost of financing operations such as interest payments in the total costs for the proceeds) stood at 2.9% as compared with 3.4% for the first half of fiscal 1955. The slip of the interest burden was especially notable in iron-steel, chemical-fertilizer and shipping. On the other hand, the rate of interest payments increased in industries demanding new equipment investments such as cement and electric power and in less thriving enterprises like civil engineering.

600,000-ton Bottoms:—The shipbuilding boom is bound to continue unabated into fiscal 1957 starting in April, 1957. At a conference held by shipping leaders with the Ministry of Transportation, the Ministry gave its understanding to the construction of about 550,000-600,000 gross tons of new vessels either under the 1957 shipbuilding program or at the own expenses of shipowners.

Fair Prospects:—The business prospects for the second half of calendar 1956 (July to December) are extremely bright, according to the consensus of 394 key business and industrial corporations whose views were collected by the Economic Planning Board. The replies sent in to EPB as of June 30 were almost unanimous in taking an optimistic view of the economic transitions in the second half. They predict that profits will increase and large investment programs will be smoothly undertaken. Particularly, the durable goods branch including shipbuilding, machinery and metals will make good showings in the second half on the strength of fair exports, they opine. Equally encouraging is the outlook of non-durable goods like foodstuffs and textiles while trading and transportation will grow notably as domestic business will continue booming, they add.

Industry

Trading Corporations

A Complete Change in Structure

COMPARED with what they were before the Second World War, Japanese trading companies have undergone a complete change in structure. First of all, Mitsui Bussan and Mitsubishi Shoji, the two magnates which accounted for more than one-third of the nation's prewar trade volume, have lost most of their previous predominance, while on the other hand leading firms in Osaka, such as C. Itoh & Co. and Marubeni-Iida Co., have remarkably gained ground. Secondly, a number of trading houses, which specialized in some goods or others prior to the war, have been trying hard, and with fair success, to handle a wide variety of commodities. Before the war, Mitsui Bussan and Mitsubishi Shoji alone were such "all-embracing" trading companies.

What are the reasons for such structural transformation of Japanese trading houses? First mention must be made of the deconcentration of Mitsui Bussan and Mitsubishi Shoji ordered in July, 1948, by the Supreme Commander for the Allied Powers (SCAP). The two Zaibatsu firms were thus deprived of all its prewar positions and activities. Then, it is to be noted that Japan's international trade itself has considerably changed in composition: i.e. heavy industrial products and other capital goods have been rising percentagewise in both exports and imports strikingly contrasted to the gradual degradation of textile goods.

The deconcentrated Zaibatsu firms played an overwhelmingly important role in Japan's prewar trade. Building up their own networks of branches and agencies all over the world, they took an active part not only in foreign trade with Japan as a hub of cargo movements but also in international trade among foreign countries themselves. Moreover, they were, to all intents and purposes, holding companies, each forming the backbone of the Zaibatsu organization. Herein lay the reason why SCAP ordered their drastic liquidation allegedly for democratization of Japanese economy and for elimination of its Imperialist characteristics.

This deconcentration directive was severe and relentless in every respect. And the two companies suffered such a serious blow that they could hardly stand on their own feet again. Their managers and employees were forced to set up incomparably minor firms, some specializing in this or that category of goods and others practising business at this or that city, on a very small scale in both cases. It was reported that Mitsui Bussan was thus divided into as many as 170 and Mitsubishi Shoji into nearly 100 tiny units.

With the forced extinction of the two Zaibatsu firms, there remained only a few influential traders in Osaka. They were, for instance, C. Itoh, Marubeni-Iida, Gosho, Japan Cotton & General Trading, and Toyo Menka. Better known as the "five cotton traders" in Kansai, they had long specialized in textile material imports and textile goods exports. Taking advantage of the Zaibatsu deconcentration, however, they have rapidly bolstered their positions and widened their fields of business activities. They now handle almost all sorts of commodities just in the same way as the Zaibatsu firms did before the war.

Trade Pattern Also Changing

General conditions, too, developed favorably for non-Zaibatsu traders. As shown in Table 1, the trade pattern has remarkably changed from what it was prior to the war. During 1934-35, textile goods (mostly raw silk, silk goods, cotton yarns and cotton fabrics) comprised more than one half of the total exports. In 1955, however, the percentage substantially fell off for textile goods, while on the other hand it visibly curved up for metals, manufactures thereof, and machinery (iron-steel products and ships in particular. In other words, heavy industrial products increased at the sacrifice of textile goods.

A similar tendency can be seen also in import trade.

To cope with such a change of the trade pattern, trading companies have been obliged, willy-nilly, to extend the scope of business. Particularly because Mitsui and Mitsubishi interests had disappeared from the arena as "all-embracing" traders, the leading Osaka firms could not confine their business activities within the scope of textiles but must needs diversify and strengthen their business fields.

In addition, a conspicuous change has occurred also in overseas markets, bringing about upon the structural transformation of trading companies. The Chinese continent, which was by far the biggest outlet for Japanese goods before the war, has lost much of its importance. Southeast Asia and South America, on the other hand, have been close-upped as new promising markets. To make advances into these markets, farther than the Chinese continent, the newly-rising firms in Osaka have taken measures for consolidation of their capital composition and managerial setup.

Zaibatsu Pushing Re-Merger

In an attempt to emulate, if not checkmate, such advances of the Osaka traders, maneuvers were started in 1952 for re-amalgamation of the

deconcentrated Mitsui and Mitsubishi firms. Efforts in this direction by Mitsui interests rapidly progressed to the extent that Mitsubishi Shoji K.K. was finally restored in 1954 through re-union of several deconcentrated interests. In the Mitsui group, Nitto Warehouse Co., formal successor to the prewar Mitsui Bussan, was renamed Mitsui Bussan K.K. in June, 1952. Then, Daiichi Bussan, or the largest trading company of Mitsui extraction, absorbed Mitsui Timber in 1954 and Daiichi Tsusho in 1950, taking the leadership for re-amalgamation of all the Mitsui outfits.

Mitsubishi Shoji and Daiichi Bussan, thus re-born, have re-established their key positions in trade circles, surpassing the newly-risers in Osaka in many respects, though they have not yet regained such unchallengeable predominance as they enjoyed in prewar days. In this manner, international trade has again come to be controlled overwhelmingly by Mitsubishi interests as well as by the Osaka firms, such as C. Itoh and Marubeni-Iida.

Minor traders have not been watching with folded arms these moves of the big rivals to undertake new projects and diversify their business fields. Most of them have also been pushing their own plans for multilateral business activities, i.e. diversification of the commodities they handle. Particular positive efforts have been made by some interests toward closer collaboration with those makers who have the least connections with leading Zaibatsu groups like Mitsui and Mitsubishi.

From the foregoing, it can be concluded that, a decade after the war's end, Japan's international trade now is on the threshold of a new era in two respects: i.e. 1) a handful of big traders have again come to dominate trade business as a whole, and 2) almost all of the trading houses have been trying hard to establish themselves not as specialists (handling this or that category of goods) but as "all-embracing" merchants (dealing in all sorts of commodities). In other words, it now stands at the crucial crossroads.

In this connection, mention must be made of two things. First, the tendency toward liberalization of international trade has been getting all the more conspicuous since 1949. Second, surviving the deflationist policy enforced by the Government since 1953, the leading trade corporations have successfully consolidated their positions. These circumstances, be it emphasized, have naturally accelerated the afore-mentioned transformation of trade circles.

Influential Trading Corporations

Mitsubishi Shoji (capitalized at ¥5,000,000,000)

This corporation was established in April, 1954, through reunion of four Mitsubishi trading firms—Kowa Jitsugyo, Fuji Shoji, Tokyo Boeki and Tozai Koeki. It is generally held that Mitsubishi usually excels Mitsui in organization as may be noted in

its speedy re-amalgamation contrasted to the deadlocked re-merger of the Mitsui concerns.

Having built up intimate ties with all the Mitsubishi firms, the company has successfully bolstered its position as "all-embracing" traders, and it now is the biggest trading company in Japan, with its transactions averaging ¥25,000 million per month. Important commodities it handles are evenly divided and well balanced: i.e. metals, machinery, provisions, and oils & fats each represent 20-30% of the total, with textiles at 10% or so. For enlargement of its textile department, it has cast in its lot with Mataichi & Co., or one of the textile traders in Osaka, and has taken over the business of Daiwa Sen-i. In this manner, it is actively adopting steps for expansion and diversification of its business activities.

Not only that, the company is playing a leading role in the Mitsubishi Atomic Power Committee (MAP), composed of 17 Mitsubishi companies. For promotion of its plant exports, in the spring of 1950 it set up at Calcutta, India, the *Mitsubishi Technical Service for Southeast Asia*, offering engineering services to foreign customers. It is reportedly sounding, though informally, the opinion of Krupp interests (Germany) for mutual cooperation for plant exports.

Backed by the influential Mitsubishi financial clique, the company has been making very rapid progress, and it is not unthinkable that the prewar Mitsubishi Shoji will be restored sooner or later.

Mitsui Bussan (Capitalized at ¥877,500,000)

This company's predecessor was Nitto Warehouse Co., which started business in March, 1950. Of course, it was a real estate company. It was renamed Mitsui Bussan and definitely re-entered into the arena of foreign trade in June, 1952, when it was merged with Muromachi Bussan. The latter was a trading firm set up with the defunct Mitsui Bussan's metals department as a nucleus.

In the field of iron-steel products, non-ferrous metals and metal ores, it now handles the second largest amount next only to Mitsubishi Shoji, but it still remains a metal specialist. Thanks to the briskness of the steel market, it has been enjoying better business, but its monthly sales stand at not more than ¥4,000 million, or incomparably smaller than that of other big traders, for its business has not yet been extended beyond the scope of metals and ores. In every respect, it is yet no match to the prewar prototype. The question ahead of it is: When will it succeed in bringing about the final re-union with Daiichi Bussan, another Mitsui firm, rather than when or how will it enlarge its business field?

Daiichi Bussan (capitalized at ¥2,039,900,000)

The biggest among the trading firms of Mitsui extraction, this company is well able to emulate Mitsubishi Shoji in business volume. It is not the



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afore-mentioned Mitsui Bussan but this company that has been playing, and will play, a key role for re-merger of the Mitsui interests.

The company was formally incorporated in August, 1955, when the defunct Daiichi Bussan, Nippon Kikai Boeki and Daiichi Tsusho, or popularly known as the big three's of the Mitsui group, again amalgamated themselves. Thus, it is a typical "all-embracing" trade house handling a wide variety of goods. Its monthly business reaches as high as ¥23,000 million.

It is under this company's initiative that efforts for expansion and diversification of business activities are being stepped up energetically through closer tieups among all the Mitsui interests. For instance, it is no doubt a leading member of the *Mitsui Plant Export Council* (with which eight Mitsui companies are affiliated) and the Nippon Atomic Energy Industry Group (known as NAIG, including 25 Mitsui firms). In addition to such closer collaboration in the Mitsui realm, it is trying hard to shake hands with other interests for further extension of its business activities. For example, it has gone hand in hand with Katakura Industry, or the biggest silk reeler in Japan, and Tamurakoma, or one of the big textile traders in Osaka, for expansion of its own textile department; and it has put under its wings Nakamura-Taki Pharmaceutical and Kokusai Bussan Koeki (capitalized at ¥30,000,000), a trading firm specializing in chemicals and pharmaceuticals).

It is estimated that, of its total exports, textile goods comprise 70%, machinery and metals 12%, and fuels 10%, and that in import business the corresponding ratio is 50% for textile materials, 31% for foodstuff and fertilizers, and 19% for others.

General Bussan (capitalized at ¥300,000,000)

Since it was established in July, 1947, with the defunct Mitsui Bussan's fuels department as a nucleus, this company has been specializing in petroleum products without making any attempt to diversify its business field. It ranks among the 14 big oil wholesalers in Japan. In the second half of 1955, these interests handled nearly 5,000,000 kilolitres of oil products, of which General Bussan accounted for 458,000 kilolitres or 9.2% ranking seventh. Its monthly sales are estimated at ¥1,200-1,300 million.

Taking advantage of its close relations with Standard Vacuum Oil (USA) and Toa Nenryo Kogyo, the company has thus established itself as oil wholesalers. It is actively expanding its sales facilities all over the country. But indications are that it will be merged sooner or later with the afore-mentioned Mitsui Bussan and Daiichi Bussan, thereby contributing its bit to the final restoration of the prewar Mitsui Bussan.

Tokyo Food Products (capitalized at ¥350,000,000)

Set up in 1947 by taking over the defunct Mi-

tsui Bussan's foodstuff department, this company has been dealing mainly in marine products. But it now is gaining ground as importers of wheat and barley and exporters of ammonium sulphate. Its monthly business totalling ¥2,500-2,600 million, it is a trading firm of medium standing. It is most likely that it will also take part in the possible amalgamation of all the Mitsui firms.

Marubeni-Iida (capitalized at ¥3,200,000,000)

When Daiken Sangyo K.K. split into four minor firms, this company was incorporated, simultaneously with C. Itoh, succeeding to the liquidated company's trade department. Ranking among the "five cotton traders" in Kansai, it is one of the old-established trading firms in Osaka. As mentioned at the start of this survey, it does not specialize in textile goods but handle almost all sorts of commodities. Its transactions surpass the ¥20,000-million-a-month mark, or the third largest business next only to that of Daiichi Bussan and Mitsubishi Shoji in this order.

Especially positive have been the company's multilateral activities since it was merged in September, 1955, with Iida & Co., which handled mainly metals and machinery in Tokyo. Though textile goods still comprise nearly 70% of its total business, metals and machinery are handled in increasing amount.

Recently the company has started oil products sales in cooperation with Nippon Oil and Maruzen Oil. Furthermore, it is reportedly scheming to advance into the petrochemical industry hand in hand with Toa Nenryo Kogyo and Showa Denko. Another recent demarche of more importance is its drastic decision to establish itself as an atomic power merchant. Vying with several other firms, it has finally succeeded in signing an import contract with North American Aviation (USA) for Reactor No. 1 (water boiler type). Moreover, it actively joins the Hitachi group for atomic power development—another combine of atom-minded business corporations loosely organized with Hitachi, Ltd., as a leader in competition with the afore-mentioned NAIG and MAP. In all likelihood, it will take charge of import business for this group. All this is one of the good examples for the recent activities of the Osaka traders.

Besides, the company has concluded sole agency contracts with two or three minor coal mining companies in North Kyushu and bought into such shipping firms as Nissan Kisen and Daido Kaiun. Already under its wings have been a number of small makers in the fields of oil, paper, iron and steel, and machinery. And its recent interest in coal and shipping business indicates that it perhaps has up its sleeve other plans for expansion of its control over more industries.

C. Itoh (capitalized at ¥2,400,000,000)

This company is also one of the deconcentrated

Daiken Sangyo firms and ranks among the "five cotton traders" in Kansai. It is, so to speak, in brotherly ties with Marubeni-Iida but now in a cut-throat rivalry with each other. Standing at about ¥20,000 million, its monthly business is slightly less than Marubeni-Iida's, but it is the fourth largest next only to that of Marubeni-Iida, Daiichi Bussan and Mitsubishi Shoji in the order named.

Of the total sales, textile goods account for as much as 70%. But the company is striving, not less vigorously than Marubeni-Iida, for diversification of its business scope. This is clear from the fact that it has bought into 15 business companies in the automobile, aircraft maintenance, oil, oil sales and paper industries, and that it now has under its control as many as 250 firms. The magnitude of its activities can also be seen from the fact that some of its subsidiaries are operating business even in Argentina and Salvador.

Among these multilateral activities, the most important are: i.e. 1) the company not only excels all other traders in aircraft as a sole agent for Douglas Aircraft (USA) but also operates a joint aircraft maintenance company in cooperation with the American corporation, 2) it is handling oil products offered by Standard Vacuum Oil (USA) and Nippon Oil, 3) it has heavily (up to 15%) bought into Yokoyama Kogyo (capitalized at ¥300,000,000), one of the best boiler makers in Japan, and 4) it is acting as an intermediary between Fuji Electric and

Siemens interests (Germany) for technical collaboration in turbine fabrication.

Sumitomo Shoji (capitalized at ¥900,000,000)

When Sumitomo Honsha, Ltd., was liquidated after the war, its commerce department was incorporated into this corporation. Its monthly business standing at ¥6,000 million, it is a relatively small firm, for Sumitomo has been far less interested in international trade than Mitsui and Mitsubishi.

With copper mining and smelting as a main business, Sumitomo has consolidated its position as a metal Zaibatsu, placing under its orbit such big firms as Sumitomo Metal Mining, Sumitomo Coal Mining and Sumitomo Metal Industries. In close ties with these interests, Sumitomo Shoji is coming into its own. Putting under its control Sanko Shoji, one of the big metal wholesalers, it has substantially bolstered its metal department of late. Thus, iron-steel products and non-ferrous metals now represent nearly 50% of the total goods it handles. Though no hope exists that it will grow into an "all-embracing" trading concern, it stands on a very firm rock. Furthermore, in addition to its trade business, it operates not a small amount of real estate.

Gosho (capitalized at ¥400,000,000)

As one of the "five cotton traders" in Kansai, this firm built up its fame as importers of Ame-

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rican and Indian cotton before the war. Immediately after the end of hostilities, it tried hard to extend its business field into oils and fats, hides and leather, rubber, etc. But it suffered a serious loss when market prices sharply fell off for these imported goods in stock with the conclusion of the Korean armistice. Though it has almost recovered itself from this shock, it still remains far behind other big traders in Osaka. Its monthly business is about ¥6,500 million, or the smallest among the "five cotton traders". For all its efforts for multilateral activities, it is yet none other than a textile merchant.

Japan Cotton & General Trading (capitalized at ¥1,075,000,000)

As one of the "five cotton traders" in Kansai, the company was widely known before the war for its overwhelming position as importers of Indian and Chinese cotton and exporters to China of textile goods. Since the war's termination, it has again been specializing mainly in textiles, but it has recently begun to handle food products, machinery and metals as well.

The company is not so much an "all-embracing" merchant as a textile specialist. This can be seen from the fact that it absorbed Meruei & Co., one of the big textile wholesalers in Osaka, in November, 1954. It deserves special attention, however, that it is stepping up measures for cooperation with minor coal mine operators in North Kyushu and with synthetic resin makers not closely connected with Zaibatsu interests.

Toyo Menka (capitalized at ¥987,500,000)

Established before the war by taking over the defunct Mitsui Bussan's cotton department, this company is also one of the "five cotton traders" in Kansai, located in Osaka. Having severed itself from all the relations with the Mitsui group after the war, it has been handling not only textile goods but also machinery, metals, chemicals and coal, particularly the last named. It has recently got sole agency rights from Nichiman Mining Co. in Kyushu. The scope of its multilateral projects can also be seen from the following facts: i.e. 1) it has built up close ties with Marugane Oil Mfg. a castor oil maker, and 2) it has set up of its own account a nylon firm, Toyo Kasen. Its monthly business is estimated at ¥10,000 million, and it is a good match to Goshō.

Iwai Sangyo (capitalized at ¥750,000,000)

Though located in Osaka, this company deals not so much in textile goods as in iron-steel products and machinery. As it was founded as a commerce department of Iwai Shoten, a local Zaibatsu in Osaka, it has long been in close ties with such Iwai subsidiaries as Tokuyama Iron Sheet, Nippon Bridge Frame, Dainippon Celluloid, Tokuyama Soda, Kansai Paint and Toa Spinning & Weaving. It

also maintains intimate connections with Yawata Iron & Steel. Thus, it is one of the influential dealers in metals and chemicals, its business reaching ¥4,500 million or so per month.

Itoman (capitalized at ¥600,000,000)

Among textile merchants of medium standing in Osaka, this company is playing a leading role. It has long been noted for its extensive business in wool goods. With a number of minor makers under its control, it now is coming into its own in processed goods wholesales. Small as it is in scale, it has been pursuing a very sound policy in management, handling food products as well as textile goods, and its business averages ¥2,200-2,300 million per month.

To counteract the recent attempts of leading traders to diversify their business fields, minor trading houses in Osaka, such as Shinko, Sofuku, Nishizawa and Tatsuki, organized the Osaka Traders Union (OTU) in April, 1955. This union is authorized to hold some amount of foreign funds and to compete as one unit with bigger trading corporations. In this move, Itoman has been taking the leadership.

Nissho (capitalized at ¥1,040,000,000)

This company is a successor to the commerce department of Suzuki Shoten which went bankrupt on the occasion of the 1927 financial crisis. Located in Osaka, it now holds a predominant position in metal sales, with its monthly business eclipsing the ¥10,000-million mark. It is among the biggest metal dealers in Japan.

With Chuo Woollen Mills at Nagoya under its wings, the company is handling no small amount of textile goods. Recently it has entered into special contracts for sole agency with such oil firms as Showa Oil and Nippon Mining, and made approaches to some shipping firms, thereby widening its business field. Following a slow but steady policy in the past, however, it will refrain from any bold step for hasty development.

SALES TURNOVER OF LEADING TRADING COMPANIES
(In ¥1,000,000)

Company	Sales	Term Covered
Mitsui Bussan	23,795	Oct. 1955-Mar. 1956
Daiichi Bussan	124,654	" "
Mitsubishi Shoji	150,078	" "
General Bussan	7,847	" "
Tokyo Food Products	16,104	Dec. 1955-May 1956
Marubeni-Iida	112,186	Oct. 1955-Mar. 1956
C. Itoh	106,205	" "
Sumitomo Shoji	31,418	" "
Goshō	40,788	" "
Japan Cotton & General Trading ..	67,772	" "
Toyo Menka	59,901	" "
Iwai Sangyo	27,603	Dec. 1955-May 1956
Itoman	13,400	" "
Nissho	60,444	" "
Nozaki Sangyo	10,431	Sept. 1954-Sept. 1955
Okura Shoji	8,997	Oct. 1955-Mar. 1956

Note: This table is compiled by *The Oriental Economist* on the basis of information supplied by these firms.

Configuration of Japan's Political Parties

By Tatsuo Mitarai

CURRENTLY, the power of government is in the hands of the conservative factions. The Liberal-Democrats now hold about two thirds of the seats in the House of Representatives, and about one half the House of Councillors seats. The Socialists have about one third of the lower house votes, and about the same amount in the upper house. The conservative neutralists, the Ryokufukai, hold about one eighth of the House of Councillor seats; while the Communist Party has one representative in the lower house, and two in the upper.

Ever since the end of World War II hostilities the conservative factions have tended to be predominant, but in recent years the Socialist Party, with the positive support of organized labor (Sohyo, the General Council of Japanese Trade Unions), has manifested rapid growth in strength. For instance, whereas in the general election of February 1955 the total number of votes won by the Socialists stood at 10.7 million as against the 21.0 million cast for the Liberal-Democrats, the result of the recent upper house election in July this year indicated 10.5 million votes for the Socialists and only 14.0 million for the Liberal-Democrats. In other words as against the 40 percent of the Liberal-Democrat votes at the time of the general election of 1955, the Socialists this year were able to win upward of 80 percent. This general trend indicates that unless there occurs some big blunder on the part of the Socialists, they will continue steadily to gain in strength and support.

The political parties of Japan have their traditions and various causal circumstances. The conservative factions still contain individual rivalries and differences of opinion and feeling which have grown in complexity over the half a century or more of their existence. The Socialists likewise have such differences and antagonisms, not only in political viewpoints and ideology, but also between individuals and groups, which have developed from since before the war when they were known as the proletariat factions. Even the Communists have their intra-party groups such as the "mainstream" faction, the internationalist group, and the theorists; and these are incessantly struggling with each other for party hegemony.

At first glance it may appear that the extreme left of the conservatives and the extreme right of the Socialists are identical in thinking and aims, and that because they once jointly formed a government they could be expected to form a coalition. Nevertheless, because there do exist basic dissimilarities, particularly in regard to the ideological

line separating capitalism from socialism, the principal political parties of Japan are separated by a definite gap.

Liberal-Democratic Party

As its name implies, the Liberal-Democratic Party was formed by a merger of the Liberal Party and the Democratic Party; and among its leaders are to be found liberals as well as democrats—in fact politicians of every possible variety who are in favor of capitalism. As for its structure, the backbone consists of the Seiyukai and Minseito of prewar days, with the body filled out by the forces which have newly arisen since the war. Roughly speaking, the main factions within the Liberal-Democratic Party are seven, with many more if the minor groups are to be included.

The Seiyukai was the successor to the oldest parliamentarianist group, the Jiyuto (Liberal Party), founded in 1881 by Taisuke Itagaki. This political offspring of the Jiyuto came into being in 1890 through the actions of Prince Hirobumi Ito to form a merger of the conservative forces of those times; and its strength was firmly rooted in the rural areas.

After World War II, Ichiro Hatoyama, one of the veteran leaders of the old Seiyukai, revived his party under a new name, the Liberal Party, and under the banner of anti-communism. At the first general election held after the war, the general election of 1946, the new Liberal Party won 160 seats in the lower house and became the party with the biggest plurality.

The roots of the Minseito go back to the Rikken-kaishinto, formed in 1882 by Shigenobu Okuma, a progressive politician, as a political party to oppose the Jiyuto, established only a year before. The Rikken-kaishinto sought support among the newly ascendant industrial and mercantile capitalists of the urban areas, and its major objective was practice of parliamentarism after the British tradition. This party became, towards the end of the Taisho era (1912-1926), the Rikkendoshikai under Taro Katsura, and the Kenseikai under Komei Kato. In the early days of the present Showa era (1927 and after) Yuko Hamaguchi brought about a coalition of various small groups and reorganized the Kenseikai to form the Minseito.

In this way, both the Seiyukai and the Minseito had, over more than half a century, been locked in incessant opposition and struggle for power; and reflecting the racial traits of the Japanese this struggle had developed into a feud of great intensity and bitterness. Moreover, behind the Seiyukai

was the Mitsui "zaibatsu" clique, while the Minseito had the support of Mitsubishi money. Consequently, the fierce competition of the two outstanding financial groups of Japan was directly manifested by the struggle between the leading political parties, and this split caused the division of the entire nation into two huge political factions.

With the ascendancy of the militarists and the bureaucrats as political forces, there took place a unification of the Seiyukai and the Minseito a few years before World War II as a result of the formation, by Prince Fumimaro Konoye, of the Taisei-yokusankai (Imperial Rule Assistance Association).

But with Japan's defeat, and the disintegration of the political structure created by the militarists, the old political groups were revived. Ichiro Hatoyama formed, with his former Seiyukai associates, the new Liberal Party; while the former Minseito politicians chose as their leader Kijuro Shidehara, the foreign minister and a relative of the Iwasaki (Mitsubishi) family, to establish the Japan Progressive Party. In this way, as soon as hostilities ended, there took place a revival of the old rivalry between the Minseito and the Seiyukai. At this time, those politicians of the conservative camp who felt dissatisfied with the two new parties proceeded to establish such splinter parties at the Kokumin-kyodoto, the Nippon Kyodoto, and the Kyodominsuto; and for some time there was a period of numerous disassociated groups. However, with the growth and unification of the Socialist Party there occurred steady integration and unification to the conservative factions, and in November 1955 there finally came about the merging of the Liberal Party with the Democratic Party. The factions which currently exist within the Liberal-Democratic party are roughly as outlined below.

1. *Main Group*: The main group refers to those directly associated with Ichiro Hatoyama, the associates of the late Bukichi Miki, the Ichiro Kono group, the Banboku Ono group, and the Nobusuke Kishi group.

The *Hatoyama group* comprises those who have been associated with Hatoyama since the Seiyukai days, and who, while Hatoyama was a "purgee" faithfully refrained from joining Shigeru Yoshida and stoically ate crow with their leader. The principal men among these are: Tomejiro Okubo (formerly director-general of the Metropolitan Police Board), Shiro Hanamura (formerly Minister of Justice), Jiro Hoshijima (formerly Minister of Commerce and Industry), Ryoza Makino (currently Minister of Justice), Koichi Seko, Reikichi Kita, and about 25 others.

The *Kono group* comprises in the main of the associates of the late Bukichi Miki who, though before the war was a fierce antagonist of Hatoyama, became after the war one of Hatoyama's warmest supporters. With the passing of Miki, the leadership of the group has gone to Ichiro Kono.

The members of this group are: Takechiyo Matsuda (formerly Minister of Postal Administration). To Matsunaga (formerly speaker of the House of Representatives), Umekichi Nakamura, Masanosuke Ikeda, and Tsunejiro Hiratsuka (president of Nichiro Fisheries Co.). In addition several men including former Minister of State Kikuichiro Yamaguchi, tending toward the Liberal faction, and Hideji Kawasaki and Yasuhiro Nakasone, the youthful go-getters formerly associated with the old Progressive Party, are believed to be coming closer to this group. All in all the key members total about 25.

The leader of the *Ono group*, Banboku Ono, rose to his present eminence from the obscurity of a political party hanger-on. For thirty years or more he looked upon Ichiro Hatoyama as his one and only chief; but during Hatoyama's eclipse he was inveigled by Yoshida into temporary desertion. However, Ono was instrumental later in bringing about the conservative merger, supporting Hatoyama for president and premiership, and he is now firmly ensconced as a Hatoyama henchman. Ono, as an individual, tends toward low intellect and bossiness, so his followers are of the same mold: Jiro Arita, Hiroshi Kanda, Juichiro Tsukada (former Minister of Postal Administration), Isamu Murakami (current Minister of Postal Administration), and other ultra-conservatives. Recently however he has been joined by such intellectuals as Naka Funada (Director-General of the Defense Board), Tadao Kuraishi (Minister of Labor), Masataka Ota (Minister of State), and Mikio Mizuta (president of the Seichokai), so this group has been fortified considerably in quality. The unity of this group is stronger than that of the others, and the membership now runs at about 30.

The *Kishi group* is led by Nobusuke Kishi, a Manchukuo official before the war, and at one time Minister of Commerce and Industry as a result of collaboration with General Hideki Tojo. It was Kishi however who, indignant about Tojo's tyrannical ways, brought about the downfall of the Tojo Cabinet from within. He was held in Sugamo Prison as a major war crimes suspect, but was never brought to trial. As soon as he was released after long incarceration he gathered together his former associates to form the Japan Reconstruction Alliance, then joined the Liberal Party at the time of the 1952 general election. Nevertheless, he never got along well with self-centered Premier Yoshida; and because he became the leader of the dissidents he was subsequently expelled from the party. In conjunction with the late Bukichi Miki, Ichiro Kono, and others he was the driving force of the conservative merger movement which led to successful unification of the tory factions. Currently, as Secretary-General of the Liberal-Democratic Party, Kishi's influence is growing steadily. The principal members of the Kishi group are: Yuki Takechi, Shojiro Kawashima, Tokuo Nanjo, Tokuyasu Fukuda,

and about a score more relatively progressive politicians.

2. *The Dissidents.* This group generally consists of those opposed to or dissatisfied with the internal and external policies of Kono, Ono, and others who make up the main body of the Hatoyama forces. Outstanding among the dissident groups are: the Ikeda group (direct heir of the former Yoshida faction), the Mitsujiro Ishii group (the associates of the late Taketora Ogata), the former Progressives factions, and the neutrals.

The former Progressives are the descendants of the old Progressive Party, which was formed by a merger of minor factions with the former National Democratic Party whose core comprised members of the Progressive Party. Their leader is Mamoru Shigemitsu (currently Minister of Foreign Affairs and Vice Premier); but the real power lies with Kenzo Matsumura (formerly Minister of Education) and Tadao Oasa (currently Minister of State). This group has in addition Ichiro Kiyose (currently Minister of Education), Yutaro Takeyama (formerly Minister of Construction), and Yakichiro Suma (former diplomat), and the membership consists of from 30 to 40 men.

The reformist group centered around Takeo Miki (former Minister of Transportation) and Tokutaro Kitamura (former Minister of Finance) were the reformists among the Progressive Party members. The thinking of this group, advocating co-operative socialism or modified capitalism, represents the extreme left among the conservatives. About 15 Diet freshmen belong to this faction.

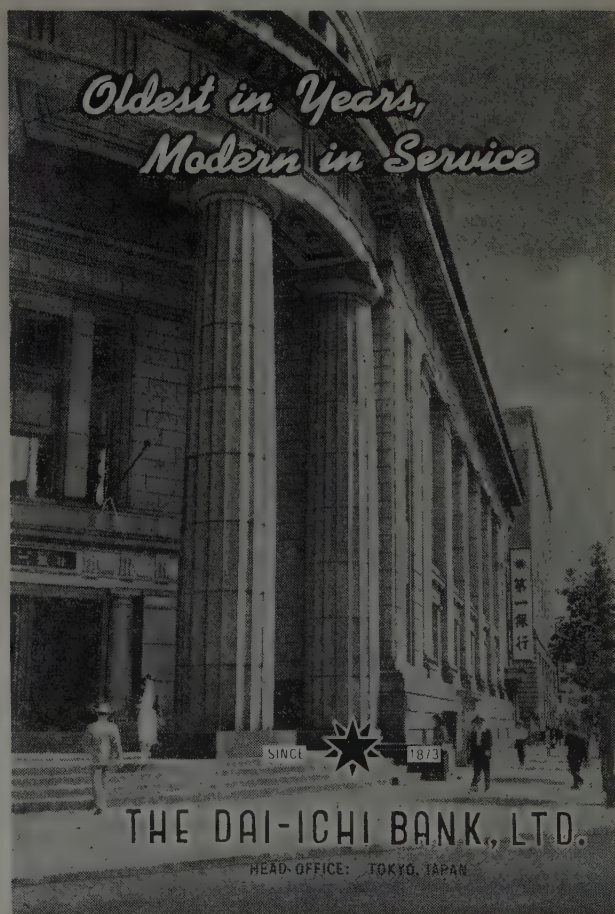
The Ashida group is led by former Prime Minister Hitoshi Ashida. A small group of only 5 or 6 politicians including Kiichi Arita, it stands for liberal policies internally, unequivocal rejection of communism, and promotion of relations with the free nations of the world.

The Ikeda group comprises the men close to former Prime Minister Yoshida, who represent the core of the old Liberal Party, the wielders of power for 6 years prior to the formation of the present Hatoyama Government. Consequently, these politicians are the most disgruntled of all conservatives, distrustful, in common with Yoshida, of Hatoyama as an individual, and incessantly striving to bring about Hatoyama's removal. Former Finance Minister Hayato Ikeda heads this faction which includes such men as Shigeru Hori (formerly Minister of Agriculture and Forestry), Ryugo Hashimoto (former Minister of Welfare), Kiichi Aichi (former Minister of International Trade and Industry), and about 30 others. Joji Hayashi (former Minister of Welfare) and Shuji Masutani (currently Speaker of the House of Representatives) erstwhile associates of Hatoyama from since before the war now belong to this dissident faction, while though nominally an independent Eisaku Sato (formerly Minister of Transportation, and the younger brother of Nobu-

suke Kishi) is giving his political support to this group.

The Ishii group cannot be called a dissident faction because for one thing its leader Mitsujiro Ishii holds the important post of head of the Liberal-Democratic Party's general affairs committee, and is known to be one of the supporters of Hatoyama. Nevertheless, ever since the rivalry started between Hatoyama and Ogata the Ishii group, seen from the Hatoyama side, could not be counted upon as friendly. As individuals, Hatoyama and Ishii are related. But in the political arena, Ishii appears to be anti-Hatoyama, or rather opposed to the Ono-Kono forces. The members of the Ishii faction are: Iwao Yamazaki (formerly Minister of Home Affairs), Katsuroku Aikawa (formerly Minister of Welfare), Motoharu Baba (formerly Minister of Construction), Kokichi Nadao, Isaji Tanaka, and about 20 others.

The Ishibashi group headed by International Trade and Industry Minister Tanzan Ishibashi has associates of about 30 members and his non-exclusive attitude also enables him to find a fair number of supporters in other factions. Ishibashi joined with the late Bukichi Miki and Kono to support Hatoyama, oust Yoshida and bring about the unification of the conservative camp. Recently, he appears to be supported more positively by those opposing the main group because of his apparent estrangement from Hatoyama and Kono.



The *neutral group* has no specific leadership, but most influential is the faction of about 40 or 50 Diet members, veterans of the Liberal Party among whom are Saeki Ozawa (formerly Minister of Construction) and Ryogoro Kato (formerly Minister of Welfare). These politicians, because they have not been appointed to important posts, harbor discontent though they are not openly dissident.

The second largest neutral faction comprises such men as Saburo Chiba (formerly Minister of Labor), Shinpachi Shudo, and Kozen Hirokawa (formerly Minister of Agriculture and Forestry), drawn from both Liberal and Progressive ranks. This faction, a conglomerate group of discontented politicians, is not openly against the main group, but they certainly constitute a nuisance.

3. *The True Neutrals.* These are the men who have appeared on the political scene after the advent of the Hatoyama Government. They are such people as Hisato Ichimada (Minister of Finance), Tatsunosuke Takasaki (Director General of the Economic Planning Board), Matsutaro Shoriki (Minister of Atomic Energy) and others who, both within and outside of party circles, are known to be capable and trustworthy. Should the intra-party conflict become further intensified it would come as no surprise to find someone from among the true neutrals picked for the premiership.

There is also another faction led by Tsuruhei Matsuno (Speaker of the House of Councillors), comprising the direct descendants of the old Seiyukai; but since the bulk of this group is seated in the upper house its bearing on the Cabinet tends to be slight.

In short the future of the Liberal-Democratic Party rests with the moves and countermoves, and the associations and disassociations of the key factions led by Kishi, Ikeda, Kono, Miki and the outsider, Eisaku Sato.

The Socialist Party

The Socialist Party was formed as a unified political group after the war under the guidance of General MacArthur's GHQ; and it is in effect a merger of the small prewar proletariat factions such as the Socialist Mass Party, the Japan Workers Party, the Workers and Farmers Party, the Japan Masses Party, and others. Not only are the composite segments of the Socialist Party heterogeneous but the ideology ranges from social reformism to extreme leftist radicalism quite indistinguishable from communism. Consequently there has been incessant strife within this Party.

In 1948 there was formed a Socialist Government. But this soon ended in a collapse brought about by the vetoing of the Socialist administration's own budget bill by the chairman of the Diet budget committee, Mosaburo Suzuki, a Party member. Then, at the time of the Treaty of San Francisco in 1952 a split developed in regard to the position to be taken on the terms of peace; and for four years, until October 1955 when a reconciliation was effected, there were two Socialist Parties, the right and the left. The intra-party conflicts and frictions are as intense, if not more so, as those of the Liberal-Democratic Party.

1. *The Old Left Wing.* With Party Chairman Mosaburo Suzuki as its leader, the left wing faction of

the Socialist Party comprises some 20 or so members of both houses of the Diet. They are: Yoshio Ito, Kozo Sasaki, Hideo Yamahana, Koichi Yamamoto, Kaichi Yasudaira, Zengoro Shimagami, Isamu Akamatsu, Soji Okada, Sozo Watanabe, Tomomi Narita, Ichiko Kamichika, Kiyoshi Masaki, Unjuro Muto, and others. They are the heirs of the prewar Worker-Farmer Party and are ideologically communistic. Nevertheless they are not in agreement with the Japan Communist Party. At the recent upper house election, this faction constituted the central force of the Socialist Party, and the voting resulted in considerable consolidation of its strength.

The *Nomizo group* is led by party boss Masaru Nomizo, who formerly belonged to the Socialist Mass Party and who currently has great influence over the Japan Farmers Cooperatives. Consequently, he figures large in Socialist circles since the farm policy is a major Socialist platform. The membership includes Tadashi Yaoita and Satoru Ajika.

The *Wada group* is headed by Hiroo Wada, who in prewar days held such important bureaucratic posts as chief of the Agricultural Affairs Section of the Ministry of Agriculture and Forestry, and investigator in the National Planning Institute. While with the latter, he was arrested on the charge of conspiring to incorporate communistic ideas in national planning. This was widely publicized in wartime Japan as the "Planning Institute incident," an affair of serious subversion. The Wada group includes such men as Seiichi Katsumata (formerly of the National Planning Institute), Tadataka Sata, Kohei Kobayashi, Saburo Eda, and Setsuo Yokomichi, who form the core and others who are drawn mostly from bureaucratic ranks. Through Yokomichi this group has direct connections with Kaoru Ota, vice chairman of Sohyo, and has succeeded in rallying a group of Sohyo members within the Socialist Party to form a policy study society consisting of more than 30 members. Wada and his associates do not mix well with Mosaburo Suzuki either ideologically or personally, and in recent years they have become closer to the extreme leftist Jiichiro Matsumoto, while at the same time they have been dickering with the extreme right wing represented by Juso Miwa in an attempt to oust Chairman Mosaburo Suzuki and to replace him with Jotaro Kawakami.

The *Matsumoto group* is headed by Councillor Jiichiro Matsumoto. This group tends to the extreme left, and advocates for the success of the Japanese revolution a wide popular front including, if necessary, the Communist Party. Key men of this group are: Toshio Tanaka, Hosei Yoshida, Ikunoshin Tanaka, Kanemitsu Hososako, Buichi Aono, Kozo Inomata, Akiko Fukuda, Naoko Takada, and about a dozen others. Immediately after the Socialist reunification of last year, this group organized a Peace Promotion Society and launched a nationwide pro-Soviet, anti-American movement. It is closely associated with the central core of Sohyo, while in some aspects its ties with the Communist Party are strong. It is also active in maintaining connections with the labor unions of the U.S.S.R. and Communist China. Although it was closely affiliated with the Suzuki group for more than a decade, it was angered by Suzuki's

despotic ways at the time of the dissolution of the Left Wing Socialist Party last year; so today the Matsumoto faction is, together with the Wada group, in direct opposition to the Suzuki group.

2. *The Old Right Wing.* The *Kawakami faction* is headed by Jotaro Kawakami, chairman of the now defunct Right Wing Socialists. The key figures of this group besides Kawakami are: Juso Miwa, and Seion Kawamata. This faction carries on the traditions of the old Japan Farmers Party and tends toward Fabian Socialism in its thinking. Consequently, it is unequivocally against rapprochement with communism, but is stringing along with the other Socialists because it is in favor of the present "peaceful" Constitution of Japan. Because at the time of Socialist reunification last year the Suzuki faction took hold of the key party posts and the Kawakami group was snubbed, the Wada group is attempting to talk them out of cooperation, apparently without success.

The *Asanuma group* comprises 14 or 15 members including Inejiro Asanuma, Party secretary, Shoichi Miyake, Koichi Nakamura, Haruji Tahara, Shichiro Matsumoto, Seiichi Matsuura, Takeshi Toganau, Satoko Toganau, and Shigeyoshi Matsumae. It is a federation of the prewar Socialist Masses Party and the Japan Labor Party. The political influence of Asanuma has gradually built up the strength of this faction, and it is currently acting as the harmonizing factor among the various groups within the Socialist Party.

The *Kato group* consists of Kanju Kato (formerly Minister of Labor), his wife, Shizue Kato, Shozo Oya, Kazuyuki Kasuga, and only two or three others. For some time after the war, this faction joined forces with the Suzuki group; but at the time of the Democrat-Socialist coalition government Kato was lured by the post of Minister of Labor and was unfaithful to Suzuki. The result was Kato's expulsion from the left wing, and his membership in the right wing. Nevertheless, in recent months his old ties with Suzuki are being renewed.

The *Nishio group* is led by Suehiro Nishio (once Cabinet secretary) known as the most capable politician among the Socialists. The individuals making up this faction are varied: the extreme right wing faction of the Socialists with connection with Komakichi Matsuoka, formerly Speaker of the House of Representatives; the Socialist Masses Party elements including such scholars and intellectuals as the late Isoo Abe, Toyohiko Kagawa, and the late Sakuzo Yoshino; the moderate intellectual group made up of Eiichi Nishimura, Teiji Ikeda, Shigeo Ithori, Eki Sone, Katsumasa Amada, Ushiro Ito, Haruki Satake, Yoshio Suzuki, Jiro Miki, Tsuneko Akamatsu, and others; and the labor movement veterans. This faction does not object to revision of the Constitution to permit rearmament, so it takes an isolated stand among the Socialists. Never-

theless, it has the support of the Zenro with 600,000 members, which is the biggest labor organization next to Sohyo, and has many adherents among workers, farmers and the city middle class.

The Communist Party

As in most countries of the world, the internal doings of the Communist Party are not open to observation. However, the changes in the international situation and the Soviet shift toward the peaceful approach has made it necessary for the hard core, advocating revolution through violence, to keep quiet. Consequently, at least on the surface, the internationalist peaceful revolution faction has come to wield actual power. The hard core used to be bossed by the late Kyuichi Tokuda, and its key members are: Shigeo Shida, Etsuro Shiino, Hiroshi Hasegawa, San'eki Matsumoto, Ritsu Ito, Yoshiro Kono, Shoichi Kasuga, Ryuichi Nishizawa, and others; but the whereabouts of some of the above-named are unknown. The internationalist group is headed by Yoshio Shiga and includes such men as Kenji Miyamoto, Satomi Hakamada, Koreto Kurahara, Tsunesaburo Takenaka, Ichizo Suzuki, Yashiro Ii, and Ichizo Matsumoto. Of these, Kenji Miyamoto appears to be the driving force, and with Sanzo Nozaka presiding over the Japan Communist Party as its First Secretary, Shiga has taken on the rôle of Nozaka's active assistant.

(The writer is a political commentator)

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Glimpses of Japanese Culture

Japanese Diet—Past and Present

By Yasusaburo Sugi, M.D.

The Japanese are largely vegetarians. According to a Welfare Ministry survey, the average caloric intake of the Japanese people in 1953 stood at 2,068, considerably lower than that of the European or American who consumes 2,500—3,000 calories a day.

Moreover, the Japanese diet relies heavily on carbohydrate (423 grams a day) in neglect of such important items as protein (65 grams, of which 14 grams are animal) and fat (16 grams). A European or American enjoys a far more balanced diet (85 grams of protein, of which 40–50 grams are animal; 110 grams of fat and 410 grams of carbohydrate).

Although this comparatively low caloric intake is largely offset by the smaller build of the Japanese, the diet in general is very partly balanced. The Japanese consumption of vitamins and minerals, including calcium, is also below standard, especially among the rural population who consumes frightfully small amount of animal protein and fat.

The national weakness for polished rice with almost no side dishes except salt plums and green tea account for the unusually high rate of illness in this country. The problem is simply a lack of calcium and vitamins.

Unbalanced Diet

In the beginning of his novel "Sasameyuki" (which will soon appear in an English edition) Author Tanizaki writes of an illness locally called *bitaran* (minus vitamins) and whose main symptom is an unexplained weariness and increasing languor. This is typical of the illness many Japanese suffer at the end of summer through the beginning of autumn—all because of vitamin and mineral deficiencies.

Thus, in spite of post-war dietary improvements, twenty three percent of the Japanese population suffers from some kind of dietary ailments, of which one third may be attributable to the lack of vitamins, especially vitamin B₁.

The following shows some of the most typical Japanese diets.

TYPICAL JAPANESE MENUS

(A)

1. Breakfast

Total—639 calories
Rice—140 grams
Soybean paste soup (Ingredients: soybean paste, dried sardines, turnips)
Fermented soy-beans—50 grams

2. Lunch

Total—556 calories
Japanese Noodle (Ingredients: Fried beancurd, sugar, Japanese onions)

3. Dinner

Total—866 calories
Rice 140 grams
Croquettes (Ingredients: potatoes, minced meat)
Glacés (carrots)

(B)

1. Breakfast

Total—574 calories
Rice—140 grams
Soybean paste soup (Ingredients: Soybean paste, dried sardines, wakame seaweeds)
Osmund pickles

2. Lunch

Total—721 calories
Bread—170 grams
Powdered skim milk
Buttered Sardines

3. Dinner

Total—924 calories
Rice—140 grams
Mackerel—80 grams
Thin soup
Beancurd
Salad (Ingredients: potatoes, carrots, onions)

According to Professor Masaji Kondo of Tohoku University, only 2.7 percent of the population is over seventy years of age, while it is a confirmed fact that in European and American countries, this age group comprises five to six percent of total population.

However, there are some exceptional communities in Japan where the proportion is over four percent and, in some cases, as high as eight percent. After sixteen years of investigation, Professor Kondo came up with the following factors which help increase longevity.

(1) Comparatively small intake of rice, and a balanced diet. Those who consume too much rice with few side dishes are more liable to suffer from such ailments as arteriosclerosis and brain hemorrhages. Longevity is the least in such rice producing prefectures as Akita, Aomori and Yamagata.

(2) In such rice producing communities as one village in Tottori Prefecture, a balanced diet and the motto "Rice for Sale and Wheat for Home Use" is saving the people from circulatory diseases.

(3) Large intake of fish, especially smaller varieties, and fish guts. Tateyama in Chiba Prefecture, Oshima, and Amakusa in Kumamoto are some examples where longevity is higher because of large fish consumption.

(4) Heavy use of soybeans. In a village in Yamagata, people eat as many as six helpings of thick soup made of soybean paste and are apparently of gaining longer life. It is interesting to note that other cereals than soy-beans seem to be far less effective in straightening up the dietary deficiencies, as is evidenced in the case of a village in Iwate Prefecture in northern Honshu. People there consume far more than average amount of various cereals but the conspicuous absence of soybean foods seems to rob the people of the benefit of longevity.

(5) Large consumption of vegetables, especially carrots, pumpkins and yams. A lower mortality rate is most likely to result when all the above items are closely integrated. In a phrase, balanced diet is everything.

Curse of Polished Rice

The carbohydrates in polished rice acidify the blood (The lack of vitamin B turns carbohydrate into pyruvic acid which, in its turn, becomes lactic acid.) and increase physical fatigue by affecting the kidneys and other vital organs, while unpolished rice, wheat and other cereals contain vitamins and other essentials and do not have these undesirable effects.

Small fish contain excellent animal protein and calcium which refresh the body. Thus small fish provide a convenient source of what polished rice lacks.

Soybeans are rich in vegetable protein and fat. As a source of nourishment, soybean compares favorably with beef.

Vegetables are essential for providing vitamins, calcium and other non-organic salts to prevent acidity in the blood. Moreover, vegetables activate the bowels and aid in digestion.

From ancient times, the Japanese people, especially farmers, have had a strange weakness for polished rice, which began to enjoy wide use in the Genroku Period (1688–1701). From

that time on, such diseases as beriberi, and kidney and other intestinal troubles were widely observed throughout the country.

The reason is that while it takes a lot of vitamin B₁ and B₂ to transform polished rice into life-giving energy, Japanese unfortunately rely heavily on foodstuffs which contain few vitamins.

To increase the national life span, therefore, it is necessary to reduce polished rice consumption, while raising protein intake as much as possible. However, we should not take too much pork and beef, for they also tend to acidify the blood and, because of the ample fat they contain, are liable to result in hardening of arteries and brain hemorrhages.

Brain hemorrhages lead in the causes of death in Japan with 120,000 people succumbing to the attacks every year, followed by cancers which trails behind by 70,000 cases. It should be a dire reminder to those aging gentlemen who, in a desperate attempt to regain their lost youth, try to eat such heavy dishes as beef steaks and pork cutlets that their fellow "desperadoes" are dying at the rate of one person in every three and a half minutes.

The manner of eating rice has changed from time to time in Japanese history. From the Heian Period (794-1192) through the Kamakura Period (1192-1333) unpolished rice was consumed either hard boiled or soft boiled. At that time rice was only a side dish and eaten sparingly.

At the beginning of Edo Period (1603-1867), unpolished rice was still a choice dish. But by the middle of Edo Period, when the civil fighting and looting had ended and peace returned to the country, people went all out for epicurean foods. They found out that polished rice is far tastier than unpolished rice when taken with other fancy side dishes. But with the spread of the practice, the stubborn "Edo illness" (actually beriberi) swept the nation at an equally wild pace.

The illness suddenly disappeared during the Tenmei Famine (1783) when people were again forced to eat unpolished rice. This clearly shows how important vitamin B₁ really is and what it is like to defy nature.

In 1689 when the Japanese people were at their peak consumption of plain food based on unpolished rice, Frenchman Jean Classet sent a report (Christianity in Japan) to his country in which he wrote: "Japan is the most healthy country on earth. There no hunchbacks are walking about. People live to be amazingly old and they can stand terrible fighting."

This report shows how much plain food, as symbolized by unpolished rice, helped to build up the ancient Japanese both physically and spiritually.

With the advent of the Genroku Period, the nation went all out for polished rice with fancy dishes and, because polished rice is more easily digested than unpolished cereals, the habit of eating three times a day developed. Prior to that time, the Japanese ate only in the morning and evening. This provided the ancient Japanese enough time to concentrate on their works which now shine as objects of art.

In the Kamakura Period, a bowl of unpolished rice, some salt plums, a paste of seasoned sea urchin eggs, abalones, vinegar and a pinch of salt were the best possible dishes even for the nobility.

In view of how much the people in the Kamakura Period achieved, this simple diet seems to point the way for modern people to draw more out of life.

Dr. Beltz's Theory

Dr. Erwin Beltz made a thorough investigation of how the Japanese people raised their working capacity and endurance.

(Dr. Beltz came to Japan from Germany in 1865, stayed here for more than thirty years and trained many an able Japanese physician. His reports on Japan and the Japanese people contributed much to medical knowledge in Europe and America. The diary he kept during his stay in Japan is full of apt pointers for the Japanese.)

The doctor says that dietary questions should be answered by experimental results, not by abstract theory. The true value of certain diet, continues the doctor, is measured by whether it enables a man to accomplish hard work or not.

"Forte's estimate of protein requirements of average men," continued Dr. Beltz "is twenty to thirty percent higher than actually needed. For example, despite their vegetarian diet, the lower class Japanese, including those who are engaged in hard labor, are quite equal to their tasks."

When his report on the Japanese people and their food habits was rejected as fantastic, Dr. Beltz sighed: "It is very sad that the proven fact about forty million hard-working people (the Japanese) who have been living largely on a vegetarian diet for at least fifty generations was brushed aside simply because it does not fit into the pattern derived from a casual study on only a handful of Germans..."

Dr. Beltz also remarked that, on the basis of his study of the Japanese rikishawmen that it is the endurance-giving capacity, not simply caloric content, that matters in foods. "It is a proven fact," continued the doctor, "that men not only can live mostly on vegetable foods but can also work hard on them. Long endurance is one of the most salient marks of the vegetarian."

Zen Priest and His Table Manners

Next is the question of the mental attitude among the Japanese people. As is the case of other desires, appetite is apt to turn man into animal. Japanese table manners are solidly against this temptation on the grounds that giving free rein to a rampant appetite is to degrade the man to the standards of an animal, and that a man is truly a man only when he can control his desires.

Based on this idea the priests of the Zen sect mumble table manners and regulations before every meal. First, the Zen priests offer their thanks to the Creator for their daily food and ask themselves if they are truly worthy of the food. Then they remember that it is only to live and improve themselves that they take foods, not for pleasure's sake.

The Zen priests' simple food included only potage of unpolished rice with a couple slices of pickled radish in the morning, a bowl of unpolished rice, soybean soup and some pickles at noon, and again a bowl of potage and some pickles in the evening.

How could they live on such a simple diet? Only because the priests put their infinite sense of gratefulness in everything they ate. It is a physiologically proven fact that foods taken in thankfulness are much better digested than those taken in anger, indifference or only for pleasure. William Beaumont and Pavlov demonstrated beyond any doubt that the thankfulness with which one takes food accelerates the flow of saliva and helps smooth digestion.

Thus our forefathers were practising unknowingly what modern science has recently proven. Now is the time when we should examine their eating habits and salvage them and elevate ourselves from the epicurean depths into which we have fallen since the days of the Genroku Period.

(The writer is Professor at Tokyo University of Education)

Commodity Market

Cotton Goods:—Cotton yarn is bound to weaken under the impact of two dampers—1) the abolition of the production curtailment, and 2) the weak raw cotton market. For all that, the July fall of cotton yarn prices was somewhat abnormally drastic, and the market has made a reactionary rally from early August as the advent of the Suez crisis and the rumored revival of the monthly production cut have come as new bracers. Meanwhile, the monthly output of cotton yarn has been steadily gaining in these few months with the July production reaching 234,000 bales (220,000 bales of pure cotton yarn) as compared with 219,000 bales (207,000) in May and 225,000 bales (214,000) in June. Yarn inventories have been increasing in parallel with the June-end stocks totalling 377,000 bales against 342,000 bales at the close of March, 345,000 bales for the April-end and 373,000 bales for the end of May. The monthly production in the rest of the current year is estimated at around 220,000–230,000 bales (in pure cotton yarn) while the monthly demand will stand at about 200,000–210,000 bales (including 70,000–80,000 bales for exports and 120,000–130,000 bales bound for domestic consumption). Hence, the steady gain of inventories appears inevitable. Exports of cotton fabrics, which fell to the monthly average of less than 90,000,000 sq. yds. in the April-June period from the corresponding average of 120,000,000 sq. yds. for January through March, but are expected to be recovering in July and August. On the domestic market, weavers' purchases of yarns will become accentuated for winter uses. Three cardinal problems are confronting Japanese cotton business today. The first is the problem of restrictions on cotton fabrics exports to the United States. So far, manufacturers of cotton fabrics have been exercising self-imposed restrictions on the annual exports to the United States as a "self-disciplinary" measure. In view of the intensified boycotting movement in the United States against Japanese cotton goods, however, the Japanese Government is expected to start talks with the Washington Government to study some effective steps to cope with the situation. The second issue concerns the processing exports of cotton goods to Indonesia. While the sales of chemical textiles to Indonesia have been almost totally suspended due to foreign currency handicaps, processing exports (surplus U.S. cotton bound for Indonesia processed in Japan) to the same destination are working in favor of cotton industrialists. The American cotton crop this year presents the third problem. The first forecast estimates the U.S. cotton production for the current year at 13,552,000 bales, down 8.0% from the 1955 crop. As cotton inventories in the United States at the start of the 1956–57 fiscal year (U.S.) totalled some 14,500,000 bales, however, the over-supply situation in that country has not as yet been thoroughly rectified, although it does not affect Japan much as Japanese textile men are purchasing American raw cotton through the Commodities Credit Corporation.

Chemical Fibres:—Rayon filament yarn quotation in July fared rather quietly despite the sharp gain in June as the "self-disciplinary" attitude of manufacturers served to normalize the market sentiment. The calm tone continued into August, as the supply-demand balance grew stable due to the increased production by leading manufacturers, the shifting of export yarns to the domestic market and regular summer festival holidays of weavers. Due to the continued briskness of demands, however, the stiff market appears bound to last for an unexpectedly long period for filament yarn.

The prices of spun rayon yarn weakened in July under the

pressure of the falling cotton yarn quotations, but rallied steadily in August. With the exports to Indonesia deadlocked and due to the rising production of spun rayon yarns and fabrics, however, the market is destined to grow dull sooner or later.

Meanwhile, the production of chemical fibres in Japan during the first quarter of fiscal 1956 (April-June) totalled 235,005,000 lbs., up 8.2% over the preceding quarter, (Jan.-March). The total included 54,172,000 lbs. of rayon filament yarn (up 5%), 165,893,000 lbs. of spun rayon (up 8.8%) and 118,084,000 lbs. of spun rayon yarn (up 5.7%). Also on the hike were synthetic fibres with nylon at 8,153,000 lbs. (up 17.4%) vinyliden at 1,318,000 lbs. (up 36%) and vinylon at 5,467,000 (up 4.4%).

Woollen Yarn:—The woollen yarn market continued soft throughout July due to four major deterrents—1) the drop of Australian wool prices; 2) the temporary end of stocking-in operations by weavers; 3) smooth imports of raw wool and fair production gains by major plants; and 4) the weakening of cotton yarn quotations. The market, however, began to recover from early August with the quotation regaining the ¥1,000 mark as the drop of the Australian wool output is expected as an aftermath of a recent flood. The future market transition, hence, depends on the raw wool crop overseas and the outcome of the Suez Canal crisis. Meanwhile, weavers and commercial houses, in a joint consultation recently, decided to fix the prices of autumn-winter items this year some 12–15% lower than the marks a year ago.

Raw Silk:—Raw silk quotations remained lethargic from early July through August. The silk market would become animated usually in the summer season due to the peak of new silk deliveries and brisk demands. This year, however, the market, apparently over-supplied with old silk released by the custody company, is markedly quiet and will remain so for some time to come.

MAJOR TEXTILE QUOTATIONS

		Cotton Yarn (Osaka)	Rayon Yarn (Osaka)	Spun Rayon Yarn (Osaka)	Woollen Yarn (Nagoya)	Raw Silk (Yokohama)
Feb.	4....	188.9	223.1	148.7	998	1,239
	11....	190.7	227.1	145.9	1,007	1,909
	18....	192.6	224.6	142.1	996	1,901
	25....	186.0	219.9	135.8	1,030	1,909
Mar.	3....	189.5	215.4	138.5	971	1,909
	10....	193.6	222.3	136.5	966	1,905
	17....	201.9	230.8	136.0	980	1,904
	24....	205.9	243.0	136.4	1,006	1,896
Apr.	31....	196.9	243.5	140.9	990	1,918
	7....	195.0	235.6	143.0	990	1,938
	14....	198.0	244.0	146.9	1,015	1,951
	21....	202.6	247.0	150.0	1,038	1,999
May	28....	213.0	246.2	158.0	1,088	2,059
	4....	214.8	255.0	159.1	1,140	2,099
	12....	196.0	247.0	154.0	1,099	2,090
	19....	200.0	238.5	152.1	1,155	2,031
June	26....	203.9	240.1	159.9	1,171	2,041
	2....	190.9	233.9	151.0	1,150	2,069
	9....	200.6	245.5	157.7	1,191	2,079
	16....	199.9	253.7	157.5	1,185	2,070
July	23....	203.1	281.0	157.8	1,201	2,076
	30....	196.0	250.0	154.0	1,130	2,062
	7....	193.6	268.0	152.7	1,095	2,019
	14....	186.0	268.0	152.0	1,048	1,987
Aug.	21....	187.0	278.5	154.5	979	1,938
	28....	170.5	251.5	143.3	962	1,956
	4....	183.7	256.0	148.5	1,018	1,989
	11....	180.5	260.9	149.8	1,015	1,964
	18....	183.3	269.9	152.5	1,039	1,938

Labor

Season for Union Meetings:—Every year, various labor unions in Japan open their meetings in July through August. This year, on July 26 through 28, Zenro (Congress of Trade Unions in Japan), the citadel of rightist labor unionists, held its regular meeting in Tokyo, while Sohyo (General Council of Japanese Trade Unions), the acknowledged champion of the leftist laborers, gathered in conference on August 25 through 28 also in Tokyo.

Interesting to note in this year's labor scene, Sanbetsukaigi (National Congress of Industrial Unions) which once held the rein of the Japanese labor movement with its extremely leftist ideology revived its regular meeting (its sixth) after seven long years of hibernation. The chief planks of Sanbetsukaigi are very much like those upheld by its brother organization Sohyo, which pledges to fight: (1) against the "Higher Productivity Movement" as it is solely designed, in the Congress's view, to decrease the real income and bring about the intensified labor; (2) for the establishment of minimum wage system; (3) for the shortening of work hours (from the present 48 hours week down to 40 hours week).

Sanbetsukaigi also reflected upon its past mistakes such as direct alignment with Japan Communist Party and following blindly the red propaganda. Although the membership of the Congress was now barely over ten thousand, the meeting resolved Sanbetsukaigi should exert further efforts to be one of the leading labor forces in Japan. The conference also resolved to inculcate the masses with the idea of the World Federation of Trade Unions, of which Sanbetsukaigi is currently the only participant in Japan.

Meanwhile, Denkiroren (Federation of All-Japan Electric Machinery Workers Unions), held its third regular meeting on July 21 and August 1. The federation is comparatively a newcomer on the labor scene, as it started, in 1952, as a criticizer of Densan (Japan Electric Industry Workers Union), the then powerful leftist organization under the aegis of Sohyo. Now that Densan is only a ghost of what it once was, the newcomer Denkiroren with its 110,000 membership is not only the hope of all the electric industry workers but also a sort of link between the leftist Sohyo and rightist Zenro.

The main plank accepted in the third regular meeting was Denkiroren's willingness to cooperate with the Productivity Center. In this, Denkiroren has a com-

panion organization in Zenro but the former as of now has no intention to formally join hands with the latter, maintaining that labor organizations with even a slightly different view should fare better separated.

In step with the meetings of labor unions in big companies, All-Japan Liaison Council of Small Business Workers Unions, the sole champion for the small business workers, held its second national conference on August 23 and 24. The Council is closest to Sohyo and the latter's ideology is usually the guiding star in the former's activities.

The main points resolved at the second rally of the Council were: (1) further unionization of small business workers, as the absence of effective unions is one of the greatest obstruction to higher wage level in the small business workers; (2) the establishment of minimum wage system in small business. As a first step toward that goal, the Council will exert every effort to enlighten the small business workers to the necessity of the system and try to establish "Wage Council" with labor, management, and local government; (3) fight against the revision of labor standard laws, as the chief victims of the "revision for the worse" will inevitably be small business workers, among whom no strong labor unions are formed yet.

Rising Wages:—According to the Labor Ministry, the tempo of wage raise, which had constantly been sagging since 1954, turned sharply upward with the last half of 1955 and the soaring tendency is still at work in the first half of 1956.

The average monthly cash pay in March-May period in 1956 stood at ¥17,516, an increase of 8.2% over the same period in 1955, a considerable improvement both on 1955-54 figure (3.1%) and 1954-53 figure (5.8%).

Because of considerable drop in consumer goods prices, the average real wage registered a gain throughout 1955 and the first half of 1956. To be more exact, the average increase in monthly real wage in the March-May period in 1956 stood 8.2% higher over the like period in 1955.

By industries, manufacturing industry led the way in the wage increase with 8.7% boost over the last year, while mining, harrassed by the prolonged strikes in spring, brought up the rear with 5.3% increase. With this advance in wages and salaries, it is understandable that the laborers' households heaved a sigh of relief. According to the Statistics Bureau

in the Prime Minister's Office, the real wage and real expenditure in an average laborer's household in March-May period, 1956, expanded 5.1% and 2% respectively over the last year's. These figures are considerable improvements when the fact that only 3.1% increase was seen in 1955-1954 comparison is taken into consideration. Because of the crab-like course followed by the consumer goods prices, the household expenditure did not expand in the same pace as the increase in wage, thus keeping the balance well in the black. Those items which saw expenditure increase were housing, entertainments expenses, traffic expenses, educational outlay, social expenses and foodstuffs.

On the spur of animated business activities, the number of wage non-payment cases and the amount of money involved has been on the decrease. In February, 1956, the total of non-payment cases was 5,311. The figure went down in March to 5,272 and again down to 5,218 in April, almost 10% decrease from the figure in the same month in 1955. The amount of money involved in the non-payment cases likewise fell down from ¥1,134,700,000 in February to ¥1,074,300,000 in March and again down to ¥1,017,000,000 in April. As the amount stood at ¥1,760,000,000 in the peak month of June, 1955, the money involved fell down as much as 40% in a matter of about ten months.

Sohyo Secretary-General Airs His View:—On August 17, at the meeting in Tokyo of Japanese National Railways unionists, the Sohyo Secretary-General Akira Iwai, once a National Railways employee himself, made a statement which immediately caught the attention of both the unionists and the general public. The main point of his proposal was the establishment of Socialist Councils among the unions to cope with the infiltration tactics by the Communist Party. At the same time the proposal aimed at the unification of party strength by building up the socialist influence among the unions, while trying to dump the extreme leftist factions which had long been wielding the scepter among the Japanese labor unionists.

JAPAN COMPANY DIRECTORY

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THE ORIENTAL ECONOMIST

Foreign Trade

Trade in July

The Customs Statistics by Finance Ministry showed that exports in July amounted to \$197 million and imports to \$277 million, balancing unfavorably at about \$80 million. Compared with July's trade volume, both exports and imports declined. On the other hand, exports decreased as much as 6.6% while imports diminished only 1.3%. Therefore, some point out that this big decrease indicates that exports tended to stop increasing. Compared with July, 1955, imports increased 36% while exports grew only 23%.

The trade exchange account of July shows that imports amounted to \$243 million, a postwar high which exceeded the previous month by \$37 million. Exports, on the other hand, accounted for no more than \$205 million, declining from the preceding month by \$193 million. Thus, the total exchange account including invisible trade showed receipts at \$274 million and payments at \$286 million, balancing unfavorably at \$12 million. This was the first payment excess in Japan's international balance sheet in 14 months, the last excess payment being registered in May, 1955.

1. FOREIGN EXCHANGE HOLDINGS (In \$1,000,000)

	Dollar	£ Sterling	Open Account	Total
1954. June ..	532.1	120.5	135.1	787.7
Dec. ..	647.6	214.1	192.1	1,053.8
1955: Mar. ..	626.1	286.3	193.1	1,105.5
June ..	664.1	280.3	186.5	1,131.5
Sept. ..	768.3	273.8	195.6	1,237.7
Dec. ..	811.3	260.9	244.1	1,316.3
1956: Mar. ..	896.0	272.3	248.2	1,416.5
Apr. ..	924.9	276.8	252.6	1,454.3
May ..	933.0	263.8	253.0	1,449.8
June ..	974.6	206.7	245.9	1,427.3

Source: Ministry of Finance.

2. MOVEMENT OF LETTERS OF CREDIT (In \$1,000,000)

	Exports		Imports	
	1955	1956	1955	1956
Jan.	135.5	157.5	158.5	144.0
Feb.	140.0	180.9	149.8	213.8
Mar.	138.3	202.4	146.1	211.7
Apr.	149.8	183.0	147.0	176.7
May	160.5	178.4	161.7	191.4
June	136.4	166.3	150.8	217.2
July	166.1	185.3	139.1	213.3

Source: Bank of Japan.

On account of the growing imports, Japan's foreign exchange holdings, which have been continuously expanding since 1955, turned downwards after registering \$1,454 million at the end of April this year and sank below \$1,400 mark at the end of July. It is strange to note that while the April-July foreign exchange payments balanced favorably at nearly \$114 million in the Foreign Exchange Statistics

Japan's foreign exchange holdings decreased by \$20 million. This, however, is due to the fact that the Foreign Exchange Statistics should not be taken at their face value. Namely, with the decline of the money rate, import usance (especially for £ sterling) is often employed by foreign exchange banks with their owned capital, and in these cases the Foreign Exchange Statistics do not show them in the payments until after the period of usance. Consequently, actual payments amount to considerably more than the Statistics show.

On the other hand, however, export letters of credit in July reached \$185 million, greatly exceeding the previous month; but import letters of credit rather declined. Thus, as far as the movement of the amount in value of letters of credit is concerned, it appears that the increasing trend in imports would soon disappear. But during a few months since March, 1956, export letters of credit continued to decline while import letters of credit turned upwards rapidly. The result of the month of July mentioned above is not enough to conclude the future trend.

Government's Estimates of International Payments

In view of the newly developed situation in Japan's foreign transactions, the Government decided at the Ministerial Council the revision of the estimates of Japan's position in the international payments for fiscal 1956 which was published at the time of foreign exchange budget formulation in March, 1956. According to this revised estimate of Japan's position in the international payments, the real balance would range from zero to \$110 million in the red, but the increase in deferred payments and the credit for surplus farm produce would make the apparent balance favorable at \$116 million—\$6 million. In the original estimate, the real balance was \$113 million and the apparent balance was \$204 million. Thus, within a few months, the

estimate changed greatly.

The marked change in the estimate is of course due to the deterioration of the trade balance on account of the rapid increase in imports. Also the increase in trade volume and the rise in freight rate were taken into account at the compilation of the estimate. The MITI authorities' formal explanatory notes on this follow.

(1) Imports in fiscal 1956 are estimated to reach \$2,600—2,750 million (exceeding the original estimate of \$2,400 million) on account of the continuously active import of raw materials. However, imports of farm produce such as rice, wheat and soy beans decreased greatly despite a rapid growth of imports of raw materials for steel, crude oil, cotton and other raw materials. This rapid increase in raw material imports have been necessitated for expanding production, and no item in Japan's imports seems to give unhealthy effect to her economy.

(2) Exports of steel and non-ferrous metals will grow so active that production will be able to give less room for supplying the demands abroad. An increase is expected in every item in exports, and especially ships and synthetic textiles are expected to grow much more than the original estimate. Exports have been steadily increasing to the United States and there have also been a marked increase to Hong Kong, Liberia and India. Consequently, exports in fiscal 1956 are estimated to reach \$2,300 million—\$2,350 million (the original estimate was \$2,200 million).

(3) Special procurement purchases are expected to total \$540—550 million (the original estimate was \$500 million) due to unexpectedly active ICA purchases. Other invisible trade receipts also are expected to exceed the original estimate by \$20—30 million on account of the raised freight rates. Of course, the rise in freight rates will affect both receipts and payments for invisible trade, and invisible

3. FISCAL 1956 ESTIMATES OF INTERNATIONAL PAYMENTS (In \$1,000,000)

	1955	1956 Estimates (Original)	1956 Estimates (Revised)
Receipts	2,839	2,892	3,050~ 3,140
Exports	2,095	2,200	2,300~ 2,350
Invisible trade	745	692	750~ 790
Special procurement	570	500	540~ 550
Others	175	192	210~ 230
Payments	2,513	2,779	3,050~ 3,250
Imports	2,156	2,400	2,600~ 2,750
Invisible trade	348	379	450~ 500
Balance	326	113	0~ 110
Surplus farm produce	75	66	66
Deferred payments	134	25	50
Apparent balance	535	204	116~ 6

Source: Ministerial Council.

Note: The original estimates were published in March, 1956 and the revised estimates in August, 1956.

trade payments may total well over \$380 million in the original estimates by \$70—120 million. (Incidentally, special procurements during April-July amounted to \$195 million while they accounted for \$178 million in the same period of 1955, especially ICA purchases, which reached during April-July, 1955 \$18 million, almost doubled to \$343 million in the same period this year).

Excessive Inventories?

There is no denying, however, that the new estimates arrived at the Ministerial Council represent considerable uncertainty, because the fiscal 1956 balance of international payments is estimated to range from zero to \$110 million in the red. The uncertainty was an inevitable outcome, because the pessimistic faction and the optimistic faction in the authorities concerned have remained opposed. There is in fact a criticism that the government estimates are too optimistic within Bank of Japan circles which represent a pessimistic view. According to this pessimistic view, imports in fiscal 1956 will probably exceed \$2,750 million, the upper limit of the revised estimates, so even exports could add up to \$2,350 million, an unfavorable balance of about \$120 million in the real balance (and a favorable balance of \$5 million in the apparent balance) would be unavoidable.

On the other hand, the optimistic view in the Finance Ministry circles estimates the total fiscal 1956 imports at \$2,400 million based on foreign exchange (the real trade volume \$2,600 million) and the total imports at \$2,400 and the balance will be favorable at \$300—400 million apparently and \$100—200 million in reality.

The optimistic estimates of the international balance payments are based on the expectation that increasing imports would eventually decline. The optimists argue that the recent extraordinary expansion of imports has exceeded the present consumption level and the present level of inventories has already grown over the ordinary level. Consequently, it has reached a peak and will turn downwards.

On the other hand, those who expect a further increase in imports, though admitting a great increase in the raw material inventories, consider the level of inventories still lower than the appropriate level of amount (some in the MITI regard it as only 60-70% of the proper level). The pessimistic view on the international balance of payments is based furthermore on the assumption that, in view of the strong optimism in the industrial circles on the future prosperity, inventories of raw materials would continue to grow for a considerably long period of time since it has only started increasing, especially

when the present active equipment investments are put into account, the level of imports would never decline after August, 1956.

4. INVENTORIES OF IMPORTED RAW MATERIALS

	Indices for Consump- tion	Indices for Inventories	Indices for Inventories Ratio
1955: Dec.	124.7	92.6	74.3
1956: Jan.	122.8	95.3	77.6
Feb.	123.9	91.3	73.7
Mar.	125.8	94.4	75.0
Apr.	137.7	104.2	75.7
May	143.9	112.3	78.0
June	149.8	123.4	82.4
1955: June	108.6	95.9	88.3

Source: MITI.

Note: 1953=100.

Those who hold the pessimistic view of the balance of international payments for fiscal 1956 nevertheless do not consider it wise to adopt a reduction of the foreign exchange allocation budget for imports in order to cope with the present trends in which imports are rapidly increasing. For instance, the Bank of Japan circles opine that since the expansion of imports reflects the active economy in Japan, measures to cope with the possible deterioration in the balance of international payments should be taken in a form of fiscal and monetary policies. In the Finance Ministry circles, too, it is strongly opined that the recent expansion of imports is a natural outcome of the growth of Japan's economy, and exports will also grow after the fruition of the present equipment investments and raw material imports; consequently a temporary unfavorable balance of international payments should not be worried about unduly.

Soviet-Japanese Peace Talk & Trade

During the second session of the Soviet-Japanese Peace Talk, Soviet Foreign Minister Dmitri Shepilov proposed an expansion of the present Soviet-Japanese trade into 500 million rubles one-way and 1,000 million rubles (\$250 million) in total during the five years after the resumption of diplomatic relations between the two countries.

On the other hand, the Japanese government circles regard this Soviet proposal of trade expansion more as a tactical move to allure the Japanese into the orbit of Soviet influence than a genuine desire for trade expansion, because the government circles are aware of the fact that the Soviet-Japanese trade has not amounted to a significant degree, despite the Japanese traders' expectation based on a similar proposal made a few years ago. Namely, barter trade agreement amounting to \$80 million was temporarily concluded for 1954 between the Soviet Mission and the representatives of Japanese traders, but the trade volume for both 1954 and 1955 actually added up only to about \$15 million. The Japanese government circles therefore

hold that 1,000 million rubles (\$250 million) is a too unrealistic target to attain.

Undeniably, however, the restrictions on the issue of passports to those Japanese wishing to enter the Soviet Union and the COCOM embargo have greatly impeded the Japanese to trade with Soviet Russia. For example, Soviet trade representatives leave Japan soon after staying for 60 days to avoid the finger print registration required after the period of 60 days since their arrival according to the Ordinance governing Registration of Aliens.

The restrictions on the trade with Russia are not so tight as the restriction on the trade with China. Still, tankers are not allowed to be exported to the Soviet Union and freight ships below 10,000 G/T and 15 knots only are exempted from the restrictions, but such slow-speed freight ships can hardly be put into practical use. Steam ships and tug-boats also are said to be restricted within certain number and capacity. Consequently, ships exported to Soviet Russia since 1954 up to date total one steam ship and four tug-boats and the total repair service during the same period amounted only to two Soviet cargo ships.

The ways in which transactions are conducted now between the Soviet Union and Japan have several points that require improvement. A rigid barter system is adopted by the Japanese government, but it is very difficult to arrange combinations of commodities for the barter. Therefore, the growth of the trade with the Soviet Union depends on the change to direct settlement or an open account system. Often the Soviet Union insists greatly higher prices for its exports to Japan than Japanese importers expect. Also, contracts sometimes fail to be concluded for lack of speedy carrying out of necessary procedures on the part of the Soviet officials.

Nevertheless, the Soviet-Japanese Trade Association, formed by about 30 trading firms which have been conducting trade with Russia, expresses its view that if those obstacles here mentioned are removed step by step, the Soviet trade proposal is not a far cry to a practical goal of trade volume between Japan and the Soviet Russia and points out that a successful expansion of Japan's trade with the Soviet Union depends on the government's effort to improve the trade method and to relax the restrictions.

Japanese traders pay special attention to the fact that the present Soviet proposal is based on its Siberian development program in the 6th five year plan, and expect that the development of Siberia would open an important market not only for Japanese machinery such as ships and rolling stock, but also textiles.

Investment Outlook

Shipbuilding Boom

Dockyards Busy:—Japan's shipbuilding industry has been in the boom with all dockyards, large and small, throughout the country capacity-operated. The latest animation is more attributable to orders from overseas than to domestic customers. For instance, export ships were overwhelming in the list of ships (over 2,000 gross tons) under construction at Japanese dockyards as of the end of March.

1. SHIPS BOUND FOR OR UNDER CONSTRUCTION

	End of March, 1955		End of March, 1956	
	No. of ships	Gross Tonnage (1,000 G/T)	No. of ships	Gross Tonnage (1,000 G/T)
Domestic ships				
Cargo boats	20	158	31	220
Supertankers	1	13	4	82
Tankers	—	—	1	13
Others	4	26	1	7
Total	25	198	37	322
Export ships				
Cargo boats	14	323	77	643
Supertankers .. }	16	327	60	1,418
Tankers	—	—	22	285
Others	2	43	11	185
Total	32	693	170	2,531
Grand Total ..	57	889	207	2,854

Notes: Ships exceeding 2,000 gross tons alone given, exclusive of war vessels.

Source: Ministry of Transportation.

As shown, in the list of ships either under construction or bound for construction at Japanese shipyards as of the end of March, this year, export ships were about 4.6-fold domestic ships in number and about 7.8-fold in gross tonnage. As compared with a year before (the end of March, 1955), domestic ships registered a gain of 124,000 tons or 62% while export ships made a sharper hike of 1,838,000 tons or 265%, well indicating a wild rush of orders for Japanese ships from overseas.

In closer analysis, cargo boats accounted for about 68% of domestic ships while about 50% of export ships were supertankers and 25% were cargo boats. Inclusive of smaller types, tankers took more than 60% of export vessels. Although the combined total of export and domestic ships at 2,854,000 tons was a marked gain of 1,965,000 tons or 221% over a year ago, the total is estimated to have climbed to about 3,200,000 tons (about twice the annual capacity of Japanese shipyards) as of early August, 1956.

It was in the winter of 1954 that the influx of orders for Japanese ships began to mount. Under the impact of intensified

deflation, the government at that time adopted the so-called "link system" for import raw sugar vs. export ships, an arrangement by which the exports of ships had to be boosted in order to increase the imports of raw sugar. As world economic conditions began to turn for the better from the start of 1955 and as the lower charges, speedier deliveries and better techniques of Japanese shipyards came to the recognition of foreign shipowners, inquiries and orders from abroad started to mount. The governmental shipbuilding program, compiled for each year, has begun to require larger-type ocean-going vessels much to the advantage of larger-scale dockyards. The transition in this connection in the past few years may be shown in Table 2. Thus, leading shipyards have been kept extremely busy while smaller dockyards have remained comparatively idle, although this trend has been more or less rectified since the start of this year.

2. STEEL SHIPS ON THE STOCK

(In 1,000 G/T)

	Months & Years	Major Shipyards	Minor Shipyards
1954: Apr.		333	17
Sept.		182	9
Dec.		396	10
1955: Mar.		546	11
June		586	8
Sept.		634	14
Dec.		890	13
1956: Jan.		948	17
Feb.		951	22
Mar.		1,036	27

Notes: Major shipyards are those which have built ships exceeding 3,000 gross tons after the war (not including war vessels).

Source: Ministry of Transportation.

As another stimulant to the already-thriving shipbuilding business, the Ministry of Transportation, in consultation with shipping leaders, has decided to increase the number and tonnage of ships to be constructed under the 13th shipbuilding program for fiscal 1957 (April, 1957 to March, 1958). The 12th shipbuilding program now in progress calls for the building of 32 ships aggregating about 310,000 gross tons (39 ships totalling 390,000 gross tons inclusive of seven ships of 80,000 tons to be built with shipowners' own funds as announced during the April-June period). In the 13th program to be carried out in fiscal 1957, the construction of ocean-going vessels totalling 550,000-600,000 gross tons (nearly double the 1956 program) is planned, exclusive of vessels to be built

without any state subsidies. Ships constructed under the annual shipbuilding program depend largely on the Treasury's financial funds for building expenses, as shipowners concerned are entitled to borrow necessary funds from the Treasury with interest thereon partly supplemented. Some ships, not included in the shipbuilding program are built by shipowners totally at their own expenses without any official aid. The steady increase in the number of such "non-programmed" ships to be constructed eloquently indicates the improving business of shipping firms. The Ministry of Transportation is particularly interested in boosting the scale of the annual shipbuilding program with the final goal placed at the completion of 1,800,000 gross tons in fiscal 1956-1960 instead of 1,080,000 gross tons as originally scheduled. To attain the new goal, the construction of 500,000-600,000 gross tons in fiscal 1957 is considered indispensably essential.

In this connection, the Ministry of Transportation revealed that the original goal of 1,080,000 gross tons was placed without taking into consideration superannuated ships (vessels of more than 30 years) amounting to 360,000 gross tons which should be replaced in the near future. It is also necessary, according to the Ministry of Transportation, to replace 250,000 gross tons of ships chartered from foreign countries. The Ministry said the bottoms necessary for handling increasing exports and imports and the rising need of supertankers to cope with the hiking demands for petroleum products will compel the expansion of the construction goal to 1,800,000 gross tons by the end of fiscal 1960. Still more gigantic is the goal set by Japanese shipowners at the directors' meeting of the Japan Shipowners' Association held on August 22. At this gathering, shipowners placed the total amount of Japanese bottoms as of 1960 at 8,870,000 gross tons, claiming that the expansion to that extent would be necessary to cope with increasing foreign trade. This is more than double the present possession of 4,000,000 gross tons and 1,770,000 gross tons larger than the prewar peak of 6,500,000 gross tons.

Hence, Japanese dockyards are likely to be kept busier in the coming several years, promising equally good business for affiliated industries including iron-steel. With the heavy shipbuilding program ahead, the domestic supply of steel materials, especially ship plates, is threatening to run short, and the Ministry of Trans-

Book Review

The Economics of Repressed Inflation

by Harold Karr Charlesworth

George Allen & Unwin, London, 1950.

The economic theory of repressed inflation by Prof. Charlesworth of George Washington University is, as Prof. Parish indicates in his introduction to the book, the most complete of its kind ever written. According to the author, the economics of repressed inflation deals with the analyses of a national economy which is partly free and partly controlled. This condition was common during and after World War II. The successful operation of an economy under repressed inflation depends on whether there are sufficient national savings and the degree to which wages can be controlled. In the postwar economy, however, there is little of the patriotic savings seen during hostilities. Furthermore, difficulties in imposing adequate wage control prevent successful maintenance of a stable price level. Thus wage checks are only able to limit slightly the amount of price increase.

In this respect, the author argues, policies of repressed inflation are very hard to achieve. The author's analysis and criticism of the British government's fiscal and monetary policies during 1950 and 1954 is one of the features of this book which is full of stimulating suggestions. (S. Kurebayashi)

Judo, with Aikido (Tourist Library 22), by Kenji Tomiki.

Japan Travel Bureau, Tokyo, 176 pp., 196 photos in black & white, a frontispiece in color, 9 cuts, ¥500 in Japan, \$3.00 outside Japan.

The word "jujutsu" has since long ago been included in many a dictionary published abroad, and an ever-increasing number of sports-minded people in the United States and Europe have been learning this Japanese sport of self-defence, both in their respective countries and in Japan.

But it was not until May 3 this year that dozens of experts selected from among them first met together internationally to demonstrate their skill. On that day the First World Judo Championship Tournament was held in Tokyo under the joint sponsorship of the World Judo Federation, the All-Japan Judo Federation, the Kodokan, and the Asahi Newspaper Company.

In Japan, which is the original home of this art, the word "jujutsu" has become completely obsolete and has been replaced by the word "judo," which, according to the author means "the art comprising all the excellent qualities of the many old schools of jujutsu without attaching undue importance to any particular one."

Furthermore, says the author, "judo," which was devised in 1882 by the late Jigoro Kano, the founder of the Kodokan Hall, "has done away with what is feudalistic in the jujutsu of the old schools and replaced it by universality."

The author, Mr. Tomiki, professor of judo at Waseda University, Tokyo, is the holder of the 7th dan grade in judo and the 8th dan grade in aikido. When he visited the United States a few years ago to demonstrate his skill, he says he was surprised to learn that most Americans were more interested in aikido than in judo.

According to his book, aikido, put simply, means the art of making one's spirit fit in with one's opponent's. "In other words," he says, "it means bringing your movements into accord with your opponent's." His explanations and practical instruction in aikido are unique in that he has succeeded in making a scientific and educational systematization of various ancient arts of aikido, which are not included in the present-day judo but which can be included in judo itself in its broader sense, for his formula is based on the fundamental principles of judo.

It is noteworthy that Mr. Tomiki has devoted nearly half of his book to notes and illustrations about aikido, a feature never seen before in any other book. These notes, as well as those about judo, are concise and practical and all the illustrations show the techniques of those two arts of self-defence so expertly that this book should prove an excellent guide to all who are desirous of knowing how to defend themselves from attack. (K. Yabuki)

Nippon Keizai no Joshiki (The Basic Facts on Japan's Economy) (In Japanese) by Koichi Aki. Shincho-sha, Tokyo. June, 1956. pp. 152. ¥160.

Koichi Aki is a professor at Tokyo University who holds a doctorate degree in engineering. He has specialized in natural resources planning, particularly rivers, and has advocated the construction of a Japanese version of T.V.A. Consequently, the author does not discuss over-all economic problems in his book, but mainly "Agriculture and Food," "Energy Resources," "General Resources," from the viewpoint of a specialist, and tries to solve the problem of over-population, one of Japan's headaches.

According to the author, "Japan's population is destined to exceed 100,000,000 20 years from now." He goes on to ask, "Then, how shall we meet the increased demand for food, clothing, housing, and other necessities? Even today, foodstuffs comprise 30% of total imports and raw materials for cotton and woolen textile are 100% imported." To cope with this situation, the author points out, "Japan must expand its economic scale. For that purpose, the nation must increase her imports. But the increase in imports necessarily requires a corresponding increase in exports." Thus the vicious circle sets in.

To feed a population of 100,000,000, an estimated 88 million koku (1 koku=4.97 bush.) of rice will be needed annually, 28 million koku of wheat, 20 million koku of barley, 146 tons of soybeans, 11,700,000 koku of milk, 13,300 million eggs, and 550,000 tons of meat. In 1955, Japan produced only 79 million koku of rice, 10.7 million koku of wheat, 19,500,000 koku of barley, 6,100 million eggs, and 180,000 tons of meat.

Consequently, it is evident that a reduction in imports of foodstuffs will help maintain a balance in international payments. The maximum possible increase in production of cereals, including tubers, is estimated to be 3,700 m.t. (25 million koku) in terms of unpolished rice. Most of the nation's food shortage can be overcome by raising domestic output to the limit.

However, large funds will be needed to accomplish what is necessary for this goal. An added problem is that present food prices in Japan are higher than in other countries.

The author, therefore, concludes thus: "If Japan does not alter greatly her planning to include better use of techniques and resources in order for economic expansion, Japan may become one of the most impoverished areas of the world."

(K.N.)

Today's Japan Issue No. 1 & 2 Published by Marvin Meyer, 12 Konnocho, Shibuyaku, Tokyo. ¥50 per copy.

A mere mention of titles of the articles contained and the names of their authors will show you how brilliant an idea the publisher had to provide the public with such delightful gems as: R.H. Blyth, *Exchanging Backgrounds*; Elise Grilli, *The West Learns From The East*; Helen Craig McCullough, *Warriors and War Tales in Medieval Japan*; Glen Shaw, *The Eighteen Cultural Stamp Immortals*; William P. Woodard, *Religious Freedom in Japan*. An indication of the date of publication on the cover should increase the prestige of this publication. (M.K.)

1. Business Indices

Year & Month	Treasury Accounts with the Public	Bank of Japan Account (1) (In 100 million yen)			Postal Savings (2)	Monthly Report of All Banks (1) (In 100 million yen)		Tokyo Stock Prices (3)			
	(Fiscal year) (In 100 mil- lion yen)	Note issues	Loans	National Bond Holdings	(In 100 million yen)	Deposits	Advances	Dow Jones Average (yen)	Simple Arithmetic Average (yen)	Turnovers (In thousand issues)	Interest Yield (%)
1947 av.....	..	2,191	323	2,133	535	2,343	1,682	—	—	60,000	—
1948 „.....	(→) 213	3,552	519	2,177	805	5,053	3,813	—	—	142,000	—
1949 „.....	808	3,553	886	1,889	1,220	7,920	6,790	149.95	128.66	255,934	6.77
1950 „.....	(→) 419	4,220	1,145	1,867	1,547	10,485	9,947	101.87	74.01	512,110	9.53
1951 „.....	346	5,063	2,230	1,260	2,008	15,063	15,178	136.10	93.80	821,259	11.91
1952 „.....	24	5,764	2,232	2,861	2,667	22,238	21,280	245.67	124.08	2,002,637	9.85
1953 „.....	951	6,298	2,987	3,143	3,465	27,076	26,712	390.90	156.05	2,091,539	7.44
1954 „.....	(→) 1,900	6,220	2,433	4,835	4,452	30,366	29,119	340.79	110.94	1,238,495	9.44
1955 „.....	(→) 2,766	6,738	319	5,536	5,263	37,243	31,958	374.00	108.17	2,505,298	7.96
1955											
March.....	178	5,307	2,521	4,822	4,452	31,614	29,266	354.69	99.94	117,061	8.79
April.....	(→) 716	5,505	2,051	4,297	4,446	31,394	29,237	351.39	97.00	99,146	8.86
May.....	249	5,222	2,049	4,083	4,503	31,956	29,372	349.83	96.49	104,623	8.49
June.....	(→) 13	5,326	2,118	3,741	4,574	32,187	29,594	354.47	102.22	142,147	8.35
July.....	(→) 361	5,378	1,844	3,844	4,720	32,572	29,862	355.56	105.29	145,212	8.02
August.....	(→) 205	5,408	1,644	4,133	4,767	33,040	29,992	377.48	111.85	261,722	7.52
September.....	(→) 70	5,298	1,434	3,932	4,794	34,627	30,301	386.16	113.88	220,764	7.60
October.....	(→) 867	5,493	830	4,611	4,876	34,257	30,360	401.47	116.60	314,075	7.15
November.....	(→) 165	5,593	642	4,481	4,891	35,294	30,848	401.53	116.46	290,766	7.35
December.....	(→) 1,792	6,738	319	5,536	5,008	37,243	31,958	409.81	117.41	383,950	6.92
1956											
January.....	703	5,828	281	4,832	5,264	36,498	31,602	426.40	121.83	357,261	6.92
February.....	202	5,685	209	4,649	5,297	36,837	31,817	429.71	122.58	387,126	6.61
March.....	269	5,747	273	5,613	5,263	38,929	32,584	444.29	125.86	490,995	6.53
April.....	(→) 558	5,847	184	5,207	5,283	38,475	32,397	471.86	130.27	712,131	6.45
May.....	454	5,614	229	5,083	5,356	39,378	32,902	480.53	132.29	608,890	6.38
June.....	198	5,969	629	4,552	5,491	40,635	34,062	532.21	137.32	715,739	6.33
July.....	Δ 4	5,975	625	4,639	..	..	..	496.80	132.44	417,094	6.51
Ag. Previous Month (%).....	—	(→) 0.1	(→) 0.6	(→) 1.9	(→) 2.5	(→) 3.2	(→) 3.5	(→) 2.0	(→) 3.6	(→) 41.7	(→) 2.8
Ag. Corr. Month in 1955 (%).....	—	(→) 11.1	(→) 66.1	(→) 20.7	(→) 20.0	(→) 26.2	(→) 15.1	(→) 39.7	(→) 25.8	(→) 187.2	(→) 18.8

Year & Month	Tokyo Wholesale Prices Indices (1) Total Average		Tokyo Retail Prices Indices (1)	Export & Import Price Indices (1) (July, 1949-June, 1950=100)		Cost of Living Tokyo (4)	Consumer Prices Indices (1951=100) (5)		Average Monthly Expenditure Per Household (5)	
	1952=100	1934-1936 =100	July, 1914=100	Exports	Imports	(Oct., 1946=100)	Tokyo	All Cities	All Cities (yen)	Tokyo (yen)
1947 av.....	—	4,815.2	7,811.5	—	—	236.1	42.7	38.2	4,684	5,469
1948 „.....	—	12,792.6	22,912.6	—	—	472.9	74.0	69.9	8,780	10,606
1949 „.....	—	20,876.4	37,283.7	—	—	607.9	92.7	92.2	11,885	14,092
1950 „.....	—	24,680.7	36,628.7	115.6	107.8	541.1	86.1	85.9	11,980	14,134
1951 „.....	—	34,253.1	47,411.9	165.5	136.3	637.4	100.0	100.0	14,410	16,138
1952 „.....	100.0	34,921.5	46,138.0	134.9	122.1	681.9	104.2	105.0	17,862	19,741
1953 „.....	100.4	35,157.3	47,450.1	127.9	110.1	782.1	112.0	111.9	22,113	25,133
1954 „.....	99.7	34,969.0	50,400.9	123.0	105.7	850.2	118.1	119.1	22,678	26,517
1955 „.....	97.9	34,301.9	49,296.8	123.5	106.6	874.7	116.4	117.8	23,211	27,579
1955										
July.....	97.0	33,983.7	48,254.0	123.4	107.2	847.7	115.1	117.0	23,490	30,351
August.....	97.5	34,158.8	48,515.2	124.0	107.4	833.6	116.3	117.8	22,401	25,256
September.....	97.7	34,228.9	48,555.1	123.8	105.6	832.9	115.6	117.4	21,905	25,910
October.....	98.0	34,334.0	48,382.9	123.3	104.9	829.7	117.5	119.0	23,233	27,641
November.....	97.8	34,263.9	48,053.6	125.4	106.2	832.1	115.5	115.9	23,149	28,293
December.....	97.9	34,299.0	48,190.6	126.1	105.6	832.9	115.2	115.7	34,864	41,257
1956										
January.....	98.6	34,539.6	47,865.6	127.1	106.1	839.1	115.5	116.4	21,886	26,112
February.....	99.3	34,789.5	48,140.4	127.5	105.2	835.2	116.8	117.4	21,025	25,035
March.....	99.6	34,894.6	48,883.2	128.1	103.7	835.2	118.1	118.5	23,357	29,878
April.....	100.2	35,104.8	48,945.0	127.8	103.8	838.3	118.4	119.1	23,256	28,463
May.....	101.3	35,490.2	48,620.1	128.9	104.4	830.5	116.6	118.1	22,534	27,507
June.....	101.4	35,525.2	48,456.7	128.4	104.4	836.8	118.7	118.8	..	26,563
July.....	101.5	35,560.2	48,374.0	..	..	838.3	115.0	..	..	..
August.....	..	..	..	..	..	829.7	..	..	..	..
Ag. Previous Month (%).....	(→) 0.1	(→) 0.1	(→) 0.2	(→) 0.4	0	(→) 1.0	(→) 3.1	(→) 0.6	(→) 3.1	(→) 3.4
Ag. Corr. Month in 1955 (%).....	(→) 4.6	(→) 4.6	(→) 0.2	(→) 4.9	(→) 1.6	(→) 0.5	(→) 0.1	(→) 1.0	(→) 1.5	(→) 3.0

Sources: (1) Bank of Japan.

Note: Δ Revised at source.

(2) Ministry of Postal Services.

(3) Tokyo Securities Exchange.

(4) The Oriental Economist.

(5) Statistics Bureau, Prime Minister's Office.

2. Business Indices

Year & Month	Consumption Level (1) (1934-1936=100)			(2) Manufacturing Industry Wages (1934-6=100)		(2) Employ- ment Indices for Mfg. Industries (1947=100)	No. of Employed (In 10,000) (3)	No. of Un- employed (In 10,000) (3)	E.P.B. Indices (1934-6=100) (1)			
	Total	Urban	Non- Urban	Nomi- nal	Real				Business Activity Indices	Mining Manu- fac- turing	Manufacturing	
											Dur- able	Non- durable
1947.....	—	55.4	—	1,580	32.0	100.0	..	..	46.2	37.4	44.9	26.6
1948.....	—	61.2	—	4,381	48.6	101.0	3,460	24	61.8	54.6	74.7	35.1
1949.....	—	65.0	—	7,516	66.3	102.0	3,606	38	76.7	71.0	99.8	47.0
1950.....	—	69.8	—	9,135	85.4	97.1	3,572	44	88.0	83.6	110.0	66.7
1951.....	—	68.9	—	11,708	92.1	104.5	3,622	39	119.4	114.4	164.3	89.2
1952.....	94.8	80.2	116.6	13,516	102.3	107.7	3,788	47	131.8	126.4	171.8	104.5
1953.....	105.6	94.0	123.0	15,322	107.3	112.7	3,925	45	161.2	155.1	209.9	131.8
1954.....	111.0	100.0	127.5	16,307	108.0	118.2	3,958	58	173.5	166.9	213.2	150.3
1955.....	115.1	106.5	128.1	16,759	114.5	116.6	4,117	68	187.9	180.7	222.2	168.3
1955												
June.....	103.2	101.2	106.1	17,015	116.8	117.0	4,302	68	185.5	178.7	219.1	167.0
July.....	115.5	118.9	110.4	19,973	135.7	117.0	4,243	72	188.4	181.5	216.2	172.4
August.....	108.7	95.7	128.2	15,599	108.9	116.8	4,148	71	190.3	183.7	221.7	173.8
September.....	108.8	102.4	118.4	14,983	106.4	116.7	4,197	67	194.7	187.8	226.6	177.2
October.....	113.1	104.7	125.7	15,036	104.7	116.6	4,339	72	193.2	185.8	234.5	169.5
November.....	120.2	111.0	133.9	15,541	110.7	116.6	4,261	57	197.2	189.7	240.0	172.9
December.....	175.4	167.3	187.5	27,784	185.8	116.6	4,141	57	207.1	199.1	247.2	184.4
1956												
January.....	117.0	102.3	139.0	15,914	111.1	116.2	3,885	68	189.4	181.6	227.4	166.5
February.....	116.8	101.0	140.4	15,598	109.9	116.2	3,883	75	198.6	191.0	244.0	173.3
March.....	116.7	104.4	135.1	15,478	107.4	117.7	4,085	106	208.1	200.1	266.3	181.6
April.....	..	106.1	..	15,925	110.5	121.7	4,242	70	219.4	211.2	274.3	192.1
May.....	..	99.8	..	15,623	107.6	121.9	4,399	62	220.4	212.2	272.1	193.8
June.....	..	..	..	..	..	..	4,440	57	224.5	216.4	277.3	198.4
Ag. Previous Month (%).....	(-) 0.1	(-) 5.9	(-) 3.8	(-) 1.9	(-) 2.6	(+) 0.2	(+) 0.9	(-) 8.1	(+) 1.9	(+) 2.0	(+) 1.9	(+) 2.4
Ag. Corr. Month in 1955 (%).....	(+) 3.0	(+) 5.3	(+) 2.0	(+) 4.8	(+) 7.1	(+) 3.8	(+) 3.2	(-) 16.2	(+) 21.0	(+) 21.1	(+) 26.6	(+) 18.8

Year & Month	Manufacturing Ind. Total (1953=100)		Pro- ducer's Stock Indices Mining Manu- facturing Total (4)	Seller's Stock Indices (4)	Car- loadings Indices (5)	Depart- ment Store Sales (4)	Foreign Trade (6) (In \$1,000)			Foreign Trade Volume Indices (1934-6=100) (6)		Foreign Exchange (7) (\$ 1,000)		
	Piled-up Material- Indices (4)	Piled-up Im- ported Material- Indices (4)					Exports	Imports	Balance	Exports	Imports	Received	Paid	Balance
1947.....	—	—	—	—	72.1	1,188.6	173,568	526,130	△ 352,562	—	—	—	—	—
1948.....	—	—	—	—	82.3	3,036.1	258,271	684,220	△ 425,949	—	—	—	—	—
1949.....	—	—	—	—	86.9	5,499.8	509,700	904,845	△ 395,145	—	—	—	—	—
1950.....	60.7	40.5	83.2	100.0	87.4	7,690.2	820,055	974,339	△ 154,284	78.1	45.0	1,008,310	677,207	331,102
1951.....	82.9	68.6	82.1	83.4	106.2	11,943.3	1,354,520	1,995,039	△ 640,520	87.1	66.8	2,240,580	1,909,277	331,303
1952.....	88.3	78.9	100.9	85.5	103.3	15,108.9	1,272,915	2,028,193	△ 755,278	82.4	73.6	2,239,127	1,924,815	314,312
1953.....	100.0	100.0	100.0	96.1	105.7	19,818.1	1,274,843	2,409,638	△ 1,134,795	100.0	100.0	2,120,037	2,313,716	△ 193,679
1954.....	100.6	96.8	129.4	109.2	105.6	22,193.7	1,629,336	2,399,404	△ 770,168	133.3	103.6	2,309,264	2,209,296	99,967
1955.....	94.2	89.5	120.0	114.1	105.9	23,668.9	2,010,600	2,471,430	△ 460,831	174.1	198.9	2,667,645	2,173,846	493,798
1955														
May.....	△ 93.4	△ 89.4	△ 123.2	111.9	102.3	19,786.6	147,786	215,084	△ 67,298	155.0	113.7	195,345	196,661	△ 1,314
June.....	△ 99.0	△ 95.9	△ 127.0	△ 110.0	105.8	19,684.9	159,595	212,436	△ 52,840	163.7	112.9	226,527	173,211	53,316
July.....	△ 99.4	△ 98.0	△ 130.0	114.3	105.4	25,837.9	159,980	203,770	△ 43,790	166.1	109.6	223,334	178,575	44,758
August.....	△ 98.6	△ 96.4	△ 123.2	126.7	107.9	19,050.5	175,985	206,848	△ 30,863	182.8	114.0	234,989	187,006	47,983
September.....	△ 96.0	△ 91.3	△ 118.0	△ 123.2	110.5	16,660.5	176,246	180,389	△ 4,142	185.1	94.7	257,685	175,727	81,958
October.....	△ 93.7	△ 86.9	△ 116.5	△ 121.7	109.7	23,237.0	188,903	201,597	△ 12,694	185.8	104.8	240,394	171,734	68,660
November.....	△ 96.0	△ 88.8	△ 115.2	△ 117.3	111.6	26,135.9	168,303	223,988	△ 55,685	174.4	117.4	236,594	187,899	48,694
December.....	△ 98.0	△ 92.6	△ 109.6	△ 112.1	109.2	54,881.1	249,180	233,344	15,835	250.9	123.0	268,769	207,506	61,263
1956														
January.....	97.6	95.3	111.4	△ 113.7	107.8	19,533.4	149,781	218,555	△ 68,774	153.2	115.6	238,341	208,812	29,528
February.....	95.6	91.3	110.7	△ 112.5	113.3	19,444.2	185,704	220,380	△ 34,676	191.1	115.9	254,216	210,348	43,868
March.....	97.8	94.4	105.6	113.8	101.9	27,180.0	223,874	253,365	△ 29,492	222.4	133.6	256,733	206,487	50,246
April.....	103.0	104.2	106.1	115.6	109.7	26,251.0	△ 195,255	△ 255,262	△ 60,006	△ 201.6	133.5	275,650	223,647	52,002
May.....	△ 110.2	△ 112.3	△ 108.5	123.8	111.2	23,580.9	194,961	271,747	△ 76,786	194.6	142.4	245,458	217,004	28,454
June.....	118.1	123.4	111.6	..	115.4	..	210,742	280,403	△ 69,661	213.3	144.6	295,161	253,225	41,935
Ag. Previous Month (%).....	(+) 7.2	(+) 9.9	(+) 2.8	(+) 7.1	(+) 3.8	(-) 10.2	(-) 6.6	(-) 1.3	—	(+) 9.6	(+) 1.5	(+) 20.2	(+) 16.7	—
Ag. Corr. Month in 1955 (%).....	(+) 19.3	(+) 28.7	(-) 12.2	(+) 10.6	(+) 9.1	(+) 19.2	(+) 23.0	(+) 35.8	—	(+) 30.3	(+) 28.1	(+) 30.3	(+) 46.2	—

Notes: △ in Foreign Trade means excess in export, while △ in Foreign Exchange means excess in payment. △ Revised at source.

Sources: (1) Economic Planning Board (2) Ministry of Labor (3) Statistics Bureau, Prime Minister's Office (4) MITI (5) Ministry of Transportation (6) Ministry of Finance (7) Bank of Japan.

3. Treasury Accounts with the Public

(In ¥100,000,000)

(Ministry of Finance.)

Items	Fiscal 1955					Fiscal 1956					1955
	Apr.- June	July- Sept.	Oct.- Dec.	1956 Jan.-Mar.	Total	Apr.	May	June	Apr.- June	July	July
General Account											
Revenue											
Taxes	1,803	1,925	1,927	2,078	7,733	536	562	898	1,996	740	611
Monopoly	333	244	126	258	964	94	124	117	335	69	70
Others	105	72	108	93	378	70	65	29	164	22	24
Total	2,244	2,241	2,161	2,429	9,075	700	751	1,044	2,495	831	705
Expenditure											
Defense Expenditure	182	150	144	125	601	92	18	7	117	83	111
Defense Board	159	131	218	180	688	154	49	62	265	53	42
Public Works Expenditure	365	319	373	259	1,316	180	93	60	333	66	75
Local Finance Equalization Grants ..	658	386	529	252	1,825	374	0	374	748	36	14
Compulsory Education Expenditure ..	183	160	229	170	742	40	139	—	179	121	106
Others	849	706	987	746	3,288	456	236	267	959	226	262
Total	2,396	1,852	2,480	1,732	8,460	1,296	535	770	2,601	585	610
Balance	△ 152	389	△ 319	697	615	△ 596	216	274	△ 106	246	95
Special Accounts and Others											
Foodstuff Control	633	△ 582	△ 1,450	331	△ 1,068	384	238	△ 43	579	△ 300	△ 272
Trust Fund Bureau	△ 236	6	△ 188	113	△ 305	△ 66	△ 113	△ 12	△ 200	△ 68	△ 41
Industrial Investment	4	31	△ 27	△ 30	△ 22	—	20	8	28	△ 17	0
National Railways and Nippon Tele- graph & Tel. Public Corporation ..	23	39	△ 95	169	186	42	132	△ 24	150	△ 34	△ 43
Finance Corporation	△ 98	△ 81	△ 245	△ 200	△ 624	△ 50	△ 50	△ 56	△ 156	△ 53	△ 17
Others	△ 195	125	△ 135	313	108	△ 147	38	125	△ 11	74	20
Total	131	△ 462	△ 2,140	696	△ 1,775	136	265	△ 11	390	△ 398	△ 353
Designated Deposits	—	—	—	—	—	—	—	—	—	—	—
Adjustment Items	△ 145	△ 51	160	129	93	45	△ 42	△ 98	△ 95	51	33
Foreign Exchange	△ 314	△ 513	△ 525	△ 348	△ 1,699	△ 143	15	33	△ 95	97	△ 136
Balance	△ 480	△ 636	△ 2,824	1,174	△ 2,766	△ 558	454	198	94	△ 4	△ 361

4. Monthly Report of All Banks

(May, 1956: Excluding Bank of Japan)

(In million yen)

(Bank of Japan)

	All Banks						Trust Account (17)
	Debiture Issuing Banks (2)	Eleven Big Banks (13)	Local Banks (65)	Trust Banks (6)	Total (86)	Leftover from Pre. mo.	
Deposits							
Current Deposits	14,976	566,298	120,448	34,673	736,397	719,782	—
Ordinary Deposits	5,712	489,283	303,018	14,591	812,606	796,567	—
Deposits at Notice	18,410	175,631	38,672	19,583	252,298	254,330	—
Time Deposits	10,509	1,026,485	603,537	28,609	1,705,142	1,674,779	—
Special Deposits	3,986	126,492	41,414	7,233	179,127	150,611	—
Instalment Savings	—	34,212	93,633	187	128,034	127,809	—
Deposits for Tax Payment	68	4,583	2,391	346	7,390	8,552	—
Deposits of Gov't and Gov't Agencies ..	1,980	114,317	—	—	116,297	114,513	*161,808
Other Deposits	—	571	—	—	571	629	**142,510
Total	55,644	2,573,877	1,203,117	105,225	3,937,865	3,847,575	—
Borrowed Money	1,290	61,408	971	366	64,036	61,060	—
Borrowings for Settlement of Import Bills ..	—	708	—	240	948	208	—
Call Money	—	87,109	4,929	2,491	94,529	97,863	—
Chas and Deposits							
Cash in Hand	11,039	420,694	74,165	19,554	525,453	514,440	1,812
Deposits with Domestic Money Organs ..	203	7,868	21,657	1,392	31,122	46,946	11,053
Total	11,242	428,562	95,822	20,946	556,575	561,386	12,865
Call Loans	5,184	18,238	33,577	1,553	58,552	57,231	24,672
Securities							
Government Bonds	4,898	46,032	15,253	1,345	67,529	76,732	747
Local Government Bonds	1,954	24,303	18,046	305	44,610	37,216	915
Foreign Bonds	184	2,174	—	—	2,358	2,358	10
Corporate Debentures	10,577	217,715	171,715	5,348	405,357	396,079	3,242
Stocks	8,098	45,105	17,999	2,784	73,987	70,226	2,133
Other Bonds	152	266	1,422	326	2,168	1,837	19
Total	25,865	335,598	224,437	10,110	596,012	584,450	7,069
Advance							
Discount Bills	11,833	761,261	266,975	57,529	1,097,600	1,080,862	24,979
Bank Acceptance Bills	—	1,106	11,793	341	13,241	14,160	—
Commercial Bills	11,833	758,746	253,872	57,176	1,081,629	1,063,857	—
Documentary Bills	—	1,408	1,309	10	2,729	2,843	—
Advances against Guarantee	319,965	1,115,938	671,430	31,692	2,139,026	2,103,244	241,736
Loans on Bills	56,622	1,074,796	622,162	31,005	1,784,586	1,762,505	91,284
Loans on Deeds	263,343	16,355	38,571	448	318,719	309,187	47,044
Overdrafts	—	24,785	10,696	238	35,720	31,551	—
Loans for Settlement of Import Bills	1,061	50,776	680	1,076	53,594	55,184	—
Total	332,810	1,927,976	939,086	90,297	3,290,221	3,239,291	266,716

Note: △ Means excess of payment, * Money in trust total, ** Loan trust, △ Revised at source.

5. Bank of Japan Ten-day Report

(In million yen) (Bank of Japan)

	1956			
	June 30	July 10	July 20	July 31
LIABILITIES				
Bank Notes Issued	596,909	563,087	558,593	597,512
Bankers' Deposits	7,528	8,572	17,235	6,939
Government Deposits	42,069	41,251	34,016	46,626
Other Deposits	23,803	30,615	31,332	28,719
Inter-Bank Remittance Deposits	—	—	—	—
Reserves Against Contingencies	26,908	26,908	26,908	26,908
Other Liabilities	36,021	34,277	35,430	35,381
Capital Stock	100	100	100	100
Reserve Funds	14,286	14,286	14,286	14,286
Total	747,627	719,099	717,905	756,475
ASSETS				
Bullion	447	447	447	447
Cash	3,739	3,673	3,800	3,650
Discounted Bills	9,849	10,128	10,434	12,936
Loans	53,101	38,222	27,801	49,561
Foreign Exchange Loans	8,172	7,755	7,586	7,415
Advances to Government	—	—	—	—
Government Bonds	455,263	442,169	447,375	463,991
Foreign Ex. Accounts ..	177,046	177,262	177,320	177,533
Inter-Bank Remittance ..	—	—	—	—
Agencies Accounts	7,678	7,686	11,373	9,153
Other Assets	32,327	31,753	31,765	31,723
Total	747,629	719,099	717,905	756,475

6. Outstanding Loans to Industries by All Banks

(In million yen) (Bank of Japan)

	April 1956			May 1956		
	Loans Total	For Equip-ments	For Co. with less ¥100 Billion	Loans Total	For Equip-ments	For Co. with less ¥100 Billion
End of Month						
Manufacturing total	1,514,884	124,122	464,844	1,537,996	128,168	472,685
Foodstuffs	161,252	6,654	84,893	162,811	6,900	86,098
Textiles	337,098	18,410	123,873	339,579	20,402	124,959
Wood and Wood Products	61,976	1,177	52,218	62,529	1,238	52,613
Paper & Related Products	85,425	8,711	15,929	87,207	9,025	15,738
Printing & Publishing ..	32,160	3,472	12,156	32,461	3,736	12,187
Chemicals	175,860	19,987	26,865	180,873	20,476	28,115
Glass & Ceramics	51,351	9,802	12,161	51,316	9,745	12,304
Primary Metals	213,480	31,750	21,613	214,395	31,776	22,149
Machinery	67,331	2,522	29,627	70,178	2,887	30,882
Electric Machinery & Tools	95,268	8,272	12,597	99,266	8,202	13,071
Trans. Machinery & Tools	103,461	7,106	14,631	104,484	7,318	15,032
Agriculture	11,318	454	11,051	12,235	453	11,938
Forestry & Hunting	8,753	67	7,570	8,765	49	7,508
Fishery	40,262	10,552	16,401	43,727	12,508	16,780
Mining	90,290	18,536	11,972	89,028	18,005	12,067
Metal Mining	17,492	4,709	691	17,444	4,579	793
Coal Mining	64,680	12,191	8,888	62,841	11,774	8,788
Construction	67,628	595	31,318	66,276	630	29,916
Wholesale & Retail	988,413	7,203	521,229	1,003,006	7,898	536,410
Wholesale	901,276	4,000	457,440	912,697	4,315	470,469
Retail	87,137	3,203	63,789	90,309	3,582	65,941
Finance Insurance	47,795	76	9,261	49,710	75	9,290
Real Estate	16,155	6,301	7,338	16,532	6,548	7,490
Trans. & Public Utilities..	268,989	196,270	17,460	268,096	193,519	17,759
Railways	20,710	11,277	213	21,403	11,563	191
Shipping	88,884	63,890	5,736	87,109	61,722	5,966
Electric	104,904	103,720	30	103,951	102,738	31
Services	53,580	11,889	38,869	54,380	12,346	39,403
Local Public Corporation..	63,574	17,433	—	67,577	20,135	—
Others	36,093	1,431	35,877	37,166	1,555	36,959
Total	3,207,739	394,935	1,173,197	3,254,500	401,894	1,198,209

7. Bank of Japan Official Interest Rates

(In sen per diem per ¥100)**

Revised on	Commer- cial Bills	Against Gov't. Bonds *	Advance Against Securi- ties other than Gov't Bonds	Over- draft	Year & Month
1932: Aug. 18	1.2	1.3	1.4	1.6	1955:
1933: July 3	1.0	1.1	1.2	1.4	Nov.
1936: Apr. 7	0.9	1.0	1.1	1.3	Dec.
1937: July 15	0.9	0.9	1.1	1.2	1956:
Sept. 21	0.9	0.9	1.1	1.1	Jan.
1946: Apr. 9	0.9	1.0	1.1	1.3	Feb.
Oct. 14	1.0	1.1	1.2	1.4	Mar.
1948: Apr. 25	1.2	1.3	1.4	1.7	Apr.
July 5	1.4	1.5	1.6	1.9	May
1949: Apr. 1	1.4	1.5	1.6	1.9	June
June 2	1.4	1.5	1.6	1.9	
1951: Oct. 1	1.6	1.7	1.8	2.1	1955:
1955: Aug. 10	2.0	2.1	2.2	2.3	June

8. Interest Rates for Advances by Member Banks

(In sen per diem per ¥100) (Tokyo Banking Assoc.)

	Loans on Deeds		Loans on Bills		Overdraft		Discount Bills	
	High	Low	High	Low	High	Low	High	Low
1932: Aug. 18								
1933: July 3	3.30	2.60	3.20	1.80	3.00	2.00	3.20	2.00
1936: Apr. 7	3.30	2.60	3.20	1.80	3.00	2.00	3.20	2.00
1937: July 15								
Sept. 21	3.30	2.60	3.20	1.80	3.00	2.00	3.20	2.00
1946: Apr. 9	3.30	2.60	3.20	1.80	3.00	2.00	3.20	2.00
Oct. 14	3.20	2.60	3.20	1.80	3.00	2.00	3.20	2.00
1948: Apr. 25	3.20	2.60	3.20	1.80	3.00	2.00	3.20	2.00
July 5	3.20	2.40	3.10	1.80	3.00	2.00	3.00	2.00
1949: Apr. 1	3.20	2.40	3.10	1.80	3.00	2.00	3.00	1.90
June 2								
1951: Oct. 1								
1955: Aug. 10	3.30	2.50	3.30	1.80	3.00	2.00	3.30	2.00

9. Tokyo-Osaka Call-Money and Its Rates

(Bank of Japan)

Year & Month	Tokyo		Balance at the End of the Month (million yen)	Osaka		Balance at the End of the Month (million yen)
	Over- Night (sen)	Uncon- ditional (sen)		Over- Night (sen)	Uncon- ditional (sen)	
1955: Nov.	1.00	1.60	47,923	1.00	1.60	16,262
Dec.	1.00	1.80	45,376	1.00	1.90	20,281
1956: Jan.	1.00	1.60	43,649	1.00	1.50	16,112
Feb.	1.00	1.40	59,316	1.00	1.50	23,571
Mar.	1.00	1.65	42,682	1.00	1.65	17,283
Apr.	1.00	1.30	56,953	1.00	1.40	24,046
May	1.00	1.55	53,490	1.00	1.60	24,024
June	1.00	1.70	44,705	..	..	19,392

10. Interest Rates of City Bank Deposits

(In sen per diem per ¥100) (Bank of Japan)

Enforced on	Time Deposits (%)			Current Depo- sits	Ordinary Depo- sits	Depo- sits at Call	Other Deposit
	Three Months	Six Months	One Year				
1940: Feb. A..	—	—	—	—	—	—	—
B..	—	3.4	—	—	—	—	—
1944: July ..	—	3.3	—	0	0.5	0.6	0.6
1947: June ..	3.3	3.5	3.6	0	0.5	0.6	0.6
1948: Jan. ..	3.7	4.0	4.2	0	0.5	0.6	0.6
July ..	3.8	4.2	4.4	0	0.5	0.6	0.6
1949: Aug. ..	3.8	4.4	4.7	0	0.5	0.6	0.6
1951: Jan. ..	3.8	4.6	5.0	0	0.5	0.6	0.6
May ..	3.8	5.0	5.5	0	0.5	0.6	0.6
Sept. ..	4.0	5.0	6.0	0	0.6	0.7	0.7

Notes: ^ includes foreign trade bills. * includes stamp bills, foreign trade bills, etc. from Oct. 14, 1946; and from June 1949 includes financial and other preferential debentures. ** HOW TO COMPUTE PER DIEM INTEREST:—In addition to the usual annual rate in percentage, computing interest by per diem rates is widely in use in Japan. This rate is expressed in sen (1/100 yen) as interest per day on ¥100 of principal. To find the usual annual rate from the per diem rate multiply the latter by 365. For example, a diem rate of 1.0 sen on a principal ¥100 gives an interest of 365 sen or ¥3.65 per year or 3.65% per annum.

11. Bank Clearings

(In billion yen)

(Tokyo Clearing House)

Year & Month	All Clearing Houses		Tokyo		Osaka	
	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount
1955: Nov. ..	(1,000)	2,822	(1,000)	4,392	(1,000)	2,215
Dec. ..	11,016	3,643	5,939	1,318	2,215	649
1956: Jan. ..	15,064	3,643	5,939	1,701	3,035	819
Feb. ..	9,120	2,556	3,641	1,167	1,764	608
Mar. ..	10,784	2,776	4,301	1,293	2,180	648
Apr. ..	11,791	3,286	4,738	1,501	2,877	790
May ..	11,438	3,065	4,616	1,416	2,322	723
June ..	12,099	3,040	4,863	1,405	2,454	715
July ..	13,049	3,215	5,179	1,494	2,598	768
August ..	11,258	2,640	4,427	1,215	2,238	631

12. Dishonored Bills

(In million yen)

(Tokyo Clearing House)

Of which, Transactions with Bank Suspended							
Tokyo		Osaka		All Clearing Houses		Tokyo	
No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount
49	3,820	36	2,290	7,156	490	2,052	147
48	3,696	36	2,281	7,009	469	2,156	178
34	2,437	25	1,932	5,554	309	1,625	108
43	3,251	31	2,043	6,267	449	1,889	189
48	3,649	34	2,750	6,877	453	2,257	161
45	3,256	33	2,142	6,464	430	2,134	148
49	3,567	33	2,130	6,600	413	2,186	165
44	3,496	29	2,098	5,911	362	1,898	133
40	3,821	30	2,352	6,374	478	1,999	205

13. Postal Savings & Postal Transfer Savings

(In million yen)

(Ministry of Postal Services)

End of Month	Postal Savings				Postal Transfer Savings	Total
	Receipts	Pay-ments	Balance	Six Major Cities		
1956: Jan. ..	65,717	40,126	526,404	175,267	5,880	532,284
Feb. ..	43,709	40,331	529,782	176,420	5,849	535,631
Mar. ..	42,636	46,090	526,334	175,731	6,046	532,380
Apr. ..	50,452	48,757	528,029	177,058	5,325	533,354
May ..	53,800	46,191	535,639	180,478	5,789	541,428
June ..	52,269	38,744	549,165	186,805	5,316	554,481
July ..	58,515	39,132	566,961	—	8,953	575,914
1955: July ..	47,878	33,351	472,007	159,832	6,214	478,221

14. Average Yields of Debentures

(Industrial Bank of Japan)

Month	Gov't Bonds	Financial Debenture		Industrial Debenture
		Interest Bearing	Discount	
1955: Nov. ..	%	%	%	%
Dec. ..	6.342	8.500	7.054	8.803
1956: Jan. ..	—	7.918	6.643	8.297
Feb. ..	6.362	7.918	6.643	8.256
Mar. ..	6.324	7.918	6.643	8.247
Apr. ..	6.331	7.411	6.643	8.299
May ..	—	7.411	6.224	7.701
June ..	6.324	7.411	6.224	7.645

15. Tokyo Wholesale Price Indices

(1952 as 100)

(Bank of Japan)

Year & Month	Total Average	Agricultural Products	Other Foodstuffs	Textiles	Fuels	Metal & Machinery	Building Materials	Chemical Products	Sundries	By Uses		
										Pro-ducer's Goods	Capital Goods	Con-sumer's Goods
1955 Average	97.9	119.5	100.3	86.3	100.9	91.8	113.7	82.8	93.5	95.1	101.3	101.6
1956: April	100.2	117.8	97.2	88.5	101.1	104.8	114.6	86.7	90.6	101.5	110.0	98.3
May	101.3	117.1	97.8	91.4	102.3	106.1	116.3	86.8	91.3	103.1	111.3	99.0
June	101.4	116.7	97.9	89.3	102.4	107.6	118.7	86.7	91.2	103.4	112.9	98.7
July	101.5	116.0	97.7	86.2	102.9	109.6	121.9	86.5	92.5	103.8	115.1	98.5
1955: July	97.0	120.3	99.4	87.3	98.4	89.5	110.6	82.7	93.5	94.2	99.0	100.7

16. Tokyo Wholesale Price Indices

(1934-36=100)

(Bank of Japan)

Year & Month	Average	Staples	Other Foodstuffs	Textiles	Fuel	Metals & Machinery	Building Materials	Chemical Products	Miscellaneous
1954 Average	34,929.6	34,794.9	32,807.0	37,446.9	31,031.0	32,259.6	43,844.6	25,980.3	24,751.9
1955: ..	34,293.1	34,729.5	31,967.5	35,551.3	32,356.2	33,240.5	40,424.1	25,208.6	24,600.6
1956: February	34,789.5	33,457.7	30,891.5	35,602.8	33,761.6	36,871.6	40,406.3	26,257.0	24,179.6
March	34,894.6	33,806.5	30,827.8	35,644.1	33,601.3	37,342.4	40,477.4	26,348.3	24,024.4
April	35,104.8	34,242.6	30,987.2	36,468.2	32,415.0	37,958.1	40,762.0	26,409.3	23,837.6
May	35,940.2	34,039.1	31,178.4	37,663.2	32,863.9	38,429.0	41,366.6	26,439.7	24,021.8
June	35,525.2	33,922.8	31,210.3	36,797.9	32,831.8	38,972.3	42,220.3	26,409.3	23,995.4
July	35,560.2	33,719.3	31,146.6	35,520.4	32,992.1	39,696.7	43,358.5	26,348.3	24,337.5
1955: July	33,983.7	34,969.3	31,688.5	35,973.7	31,549.3	32,416.5	39,339.2	25,190.8	24,600.6

17. Tokyo Retail Price Indices

(July, 1914=100)

(Bank of Japan)

Year & Month	Average	Food	Fuel & Lighting	Clothing	Others
1955: Average	49,305.9	61,191	60,189	32,757	42,009
1956: February	48,140.4	58,323	61,282	32,010	42,393
March	48,883.2	60,005	60,821	31,963	42,622
April	48,945.0	60,171	60,405	31,595	42,906
May	48,620.1	58,506	60,633	32,769	43,299
June	48,456.7	57,911	60,172	32,906	43,570
July	48,374.0	57,664	60,172	32,928	43,622
1955: July	48,245.0	58,799	58,916	32,681	42,122

Note: ^ Provisional figures. ^ Revised at source.

18. Weekly Wholesale Price Indices

(June 18-24, 1950=100)

(Economic Planning Board)

		Average	Food-stuffs	Textiles	Fuel	Metals	Machinery	Building Materials	Chemicals	Miscellaneous	Consumer Goods	Producer Goods
1956: June	2	161.3	138.0	95.7	162.2	295.8	183.2	213.6	105.7	133.3	135.1	175.5
	9	161.5	138.4	95.3	162.1	296.7	184.0	213.8	105.7	133.5	135.3	175.8
	16	162.4	142.3	95.8	162.1	297.0	183.2	214.0	105.7	132.4	137.7	175.8
	23	160.6	137.5	96.9	162.0	290.7	183.2	214.0	105.6	132.9	134.5	174.8
	30	161.1	139.5	96.9	162.0	289.9	183.3	214.9	105.8	133.3	135.9	174.8
July	7	160.4	135.3	95.7	163.7	291.8	184.6	215.0	105.4	133.0	133.3	175.2
	14	161.0	136.1	94.8	163.7	294.2	184.9	216.2	105.8	133.9	133.8	175.8
	21	162.2	139.3	93.6	163.7	298.1	184.8	217.6	105.7	134.1	136.0	176.5
	28	163.8	141.4	92.0	163.6	305.5	185.0	221.2	105.7	134.1	137.2	178.2
Aug.	4	162.9	135.9	90.5	163.6	309.2	185.0	223.1	105.4	134.7	133.4	178.9

19. Commodity Quotations & Turnovers

Year & Month		Tokyo Cotton Yarn (20, single, per lb.)							Osaka Cotton Yarn (20, single, per lb.)						
		Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100 mai)	Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100 mai)
		High	Low	End of Month	High	Low	End of Month		High	Low	End of Month	High	Low	End of Month	
1955: December	....	194.5	179.6	179.6	177.4	165.0	165.5	74	191.0	185.9	186.7	176.4	161.9	165.5	385
1956: January	.....	185.0	176.0	185.0	176.9	162.9	174.0	77	194.0	175.1	194.0	173.7	155.9	173.6	569
February	.....	192.4	184.1	186.0	179.9	172.5	175.2	78	194.5	185.6	194.5	177.9	172.0	174.5	605
March	.....	198.1	185.8	195.5	184.9	172.0	184.9	91	208.6	186.9	199.9	184.9	172.0	184.0	691
April	.....	217.0	192.8	217.0	205.2	181.3	205.2	77	210.0	192.9	210.0	204.9	182.1	204.9	746
May	.....	222.6	198.5	206.5	210.0	178.3	181.9	100	219.3	194.9	200.0	208.5	177.0	179.7	719
June	.....	212.9	192.6	212.9	190.0	178.9	181.5	59	204.4	189.1	201.9	184.2	175.1	179.0	506
July	.....	201.0	182.7	182.7	180.9	164.5	164.5	83	196.9	173.1	174.5	179.9	163.1	163.1	750

Year & Month		Tokyo Rayon Yarn (Viscose 120 D. per lb.)							Fukui Rayon Yarn (Viscose 120 D. per lb.)						
		Current Month (In yen)			Futures (6 Months) (In yen)			Turnover (In 100 mai)	Current Month (In yen)			Futures (6 Months) (In yen)			Turnover (In 100 mai)
		High	Low	End of Month	High	Low	End of Month		High	Low	End of Month	High	Low	End of Month	
1955: December	....	229.8	208.9	221.0	207.9	189.0	207.9	355	217.1	196.6	216.4	204.6	186.9	204.6	277
1956: January	.....	255.0	229.6	236.7	214.0	199.9	201.9	455	245.4	221.1	224.9	207.9	194.4	196.8	403
February	.....	231.9	215.6	215.6	207.5	193.5	193.5	362	226.6	211.0	212.5	201.7	190.2	190.2	281
March	.....	246.1	208.9	243.7	213.1	191.5	213.1	426	240.0	207.0	240.0	207.0	188.3	207.0	390
April	.....	260.1	227.1	260.0	227.0	206.0	227.0	635	255.0	221.4	255.0	220.7	198.0	220.2	635
May	.....	266.9	238.1	242.5	240.5	213.5	216.5	690	259.0	233.3	238.0	235.0	208.7	210.0	619
June	.....	283.0	230.0	274.9	232.2	213.0	220.0	445	283.0	225.8	275.0	231.9	209.9	218.9	646
July	.....	275.9	251.1	269.9	224.8	208.9	215.1	389	273.0	248.5	267.5	222.5	213.1	215.0	492

Year & Month		Tokyo Spun Rayon Yarn (30s bright, per lb.)							Osaka Spun Rayon Yarn (30s bright, per lb.)						
		Current Month (In yen)			Futures (6 Months) (In yen)			Turnover (In 100 mai)	Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100 mai)
		High	Low	End of Month	High	Low	End of Month		High	Low	End of Month	High	Low	End of Month	
1955: December	....	—	—	—	—	—	—	—	150.5	145.0	148.0	133.0	125.5	132.7	19
1956: January	.....	147.9	145.9	147.9	132.5	130.4	132.5	0.2	156.0	146.1	154.9	135.0	125.1	133.9	22
February	.....	—	—	—	—	—	—	—	148.9	135.8	135.8	135.1	127.0	130.0	14
March	.....	—	—	—	—	—	—	—	138.1	136.0	137.5	134.3	127.9	134.3	9
April	.....	—	—	—	—	—	—	—	160.0	141.5	160.0	153.0	135.2	153.0	17
May	.....	—	—	—	—	—	—	—	159.9	149.1	158.6	135.5	139.9	141.2	13
June	.....	—	—	—	—	—	—	—	158.4	151.0	156.1	147.9	139.8	142.0	18
July	.....	151.0	151.0	151.0	—	—	—	2	154.9	150.9	154.9	141.9	125.6	125.6	75

Year & Month		Yokohama Raw Silk (20/22 A, per kin)							Kobe Raw Silk (20/22 A, per kin)						
		Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100 hyo)	Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100 hyo)
		High	Low	End of Month	High	Low	End of Month		High	Low	End of Month	High	Low	End of Month	
1955: December	....	1,960	1,920	1,930	2,009	1,970	1,991	48	1,971	1,926	1,931	2,017	1,980	1,996	24
1956: January	.....	1,969	1,904	1,904	1,980	1,944	1,944	34	1,990	1,939	1,939	1,975	1,910	1,910	15
February	.....	1,924	1,900	1,900	1,958	1,932	1,944	35	1,926	1,900	1,900	1,953	1,929	1,947	15
March	.....	1,919	1,894	1,896	1,970	1,942	1,964	31	1,925	1,900	1,900	1,970	1,947	1,968	13
April	.....	2,013	1,911	1,992	2,079	1,968	2,079	61	2,021	1,925	2,013	2,064	1,969	2,060	20
May	.....	2,154	2,029	2,071	2,120	2,055	2,071	66	2,152	2,031	2,031	2,124	2,053	2,075	24
June	.....	2,108	2,051	2,066	2,112	2,060	2,067	48	2,101	2,040	2,079	2,119	2,062	2,072	13
July	.....	2,059	1,926	1,941	2,072	1,986	2,000	65	2,065	1,940	1,942	2,075	1,996	2,000	22

Year & Month		Toyohashi Cocoon (High grade, per 100 momme)							Nagoya Woollen Yarn (48, double, A grade, per lb.)						
		Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100 mai)	Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100 mai)
		High	Low	End of Month	High	Low	End of Month		High	Low	End of Month	High	Low	End of Month	
1955: December	....	387	350	387	391	365	384	66	1,025	970	970	964	887	912	552
1956: January	.....	388	365	373	369	349	349	55	1,004	967	1,000	924	871	916	499
February	.....	376	370	370	357	346	355	50	1,030	988	1,030	929	900	919	568
March	.....	398	379	398	364	354	364	53	1,019	954	1,014	929	892	929	432
April	.....	425	394	413	453	419	453	86	1,045	979	1,045	1,085	923	1,085	858
May	.....	460	421	460	470	453	463	88	1,185	1,073	1,182	1,130	1,002	1,030	993
June	.....	429	402	402	478	464	465	80	1,209	1,143	1,186	1,110	1,025	1,046	654
July	.....	399	349	357	464	445	453	101	1,144	949	959	1,052	946	951	755

Note: mai=cotton yarn..400 lbs., rayon yarn & spun rayon yarn..200 lbs., woollen yarn..100 lbs., cocoon..10 kan (1 kan=8.267 lbs.), rubber..250 lbs.,
 hyo=raw silk..99.2 lbs., kin=raw silk..160 momme. * Revised at source.

20. Exports and Imports by Value and Indices
(1934-36=100 for indices)

Year & Month	Value (In \$1,000)			Value (In million yen)		
	Exports	Imports	Balance	Exports	Imports	Balance
1954 Total	1,629,236	2,399,404	↔ 770,168	586,525	863,785	↔ 277,260
1955 Total	2,010,600	2,471,430	↔ 460,831	723,816	889,715	↔ 165,899
1956: February	185,704	220,380	↔ 34,676	66,853	79,337	↔ 12,483
March	223,874	253,365	↔ 29,492	80,594	91,212	↔ 10,617
▲April	195,255	255,262	↔ 60,006	70,292	91,815	↔ 21,602
May	194,961	271,747	↔ 76,786	70,188	97,831	↔ 27,643
▲June	210,742	280,403	↔ 69,661	75,867	100,945	↔ 25,078
▲July	196,828	276,778	↔ 79,950	70,858	99,640	↔ 28,782
1955: July	159,980	203,770	↔ 43,790	57,593	73,357	↔ 15,764

21. Foreign Exchange Receipts and Payments by Month
(In 1,000 dollars)

Year & Month	Receipts			Payments			Balance
	Exports	Invisible	Total	Imports	Invisible	Total	
1951 Total	1,297,324	943,257	2,240,580	1,725,110	184,167	1,909,277	331,303
1952 Total	1,289,185	949,942	2,239,127	1,718,361	206,454	1,924,815	314,312
1953 Total	1,156,399	963,638	2,120,037	2,100,998	212,718	2,313,716	↔ 193,679
1954 Total	1,532,478	776,786	2,309,264	1,961,680	247,616	2,209,296	99,967
1955 Total	1,954,169	713,475	2,667,645	1,848,224	325,622	2,173,846	493,798
1956: January	181,083	57,257	238,341	179,511	29,301	208,812	29,528
February	192,413	61,802	254,216	177,770	32,577	210,348	43,868
March	192,327	64,405	256,733	173,529	32,957	206,487	50,246
April	209,919	65,730	275,650	184,909	38,738	223,647	52,002
May	178,426	67,032	245,458	181,554	35,449	217,004	28,454
June	223,223	71,937	295,161	205,603	47,622	253,225	41,935
July	204,000	69,000	274,000	242,000	43,000	286,000	↔ 11,000
1955: July	165,306	58,027	223,334	156,498	22,076	178,575	44,758

22. Exports and Imports by Settlement Area
(In 1,000 dollars)

Year & Month	Exports				Imports			
	Total	Dollar	Sterling	Open Account	Total	Dollar	Sterling	Open Account
1954 Total	1,629,236	560,922	492,758	575,556	2,399,404	1,411,067	433,185	554,923
1955 Total	2,010,600	816,440	649,081	545,050	2,471,430	1,322,027	599,514	539,773
1955: December	249,180	99,681	81,714	67,785	233,344	129,714	63,121	40,509
1956: January	149,781	56,344	50,069	43,358	218,555	113,360	67,040	38,153
February	185,704	77,405	65,526	40,472	220,380	113,884	65,954	40,539
March	223,874	86,815	81,691	52,496	253,365	120,554	88,189	44,613
April	195,256	88,001	67,334	39,892	255,262	119,947	95,975	39,328
May	194,961	84,229	75,046	35,672	271,747	144,254	89,397	38,093
1955: May	147,786	59,822	48,222	39,742	215,084	106,779	53,804	54,498

23. Indices for Industrial Activities
(1934-36=100)

Year & Month	Industrial Activities				Manufacturing									
	All	Public Works	Mining-Manu- facturing	Mining	All	Food-stuff	Textiles	Printing & Binding	Chemicals	Rubber & Leather	Wood & Wood Products	Ceramics	Metals	Ma- chinery
1955 average	(153) 187.9	(2) 255.0	(151) 180.7	(10) 117.7	(141) 189.4	(12) 206.7	(12) 85.9	(1) 125.1	(37) 318.4	(10) 177.5	(2) 184.7	(7) 174.8	(18) 218.7	(42) 249.7
1955: October	193.2	267.3	185.8	124.7	194.2	198.0	85.6	131.6	322.8	198.3	189.3	185.8	230.5	265.1
November	197.2	271.0	189.7	127.1	198.3	214.2	90.1	129.1	319.4	194.3	188.9	189.1	233.8	275.2
December	207.1	290.8	199.1	128.8	208.7	234.8	93.0	127.6	352.4	197.1	197.7	189.1	238.9	286.5
1956: January	189.4	285.6	181.6	122.2	189.7	197.1	85.2	118.3	322.3	171.7	185.8	172.9	227.3	254.1
February	198.6	274.5	191.0	126.8	199.8	200.8	90.7	121.6	332.0	187.7	190.6	189.2	243.6	284.6
March	208.1	292.7	200.1	106.7	212.8	210.0	90.0	131.9	357.2	204.2	201.8	207.6	255.6	312.7
April	219.4	295.4	211.2	125.8	222.8	213.9	95.7	127.9	390.4	199.8	203.0	214.0	263.4	323.4
▲May	220.4	298.0	212.2	130.6	223.3	219.5	96.0	133.7	391.4	198.4	206.7	212.2	265.8	313.9
▲June	224.5	284.9	216.4	130.8	228.2	221.1	101.0	137.1	395.1	204.1	206.7	205.5	262.8	333.8

Note: ▲ Revised at source. △ Provisional figures.
Source: Table 20, Finance Ministry for value and Economic Planning Board, for indices; Table 21 Foreign Exchange Control Dept., Bank of Japan; Table 22, Ministry of Finance; Table 23, Economic Planning Board.

24. Coal Supply & Demand (1,000 metric tons)

Year & Month	Carry-overs	Coal Output	Deliveries			Losses	Month-end Stocks			
			Total	To Industries To Industries (Classifi- (Unclassifi- able) able)			Total	At Collieries	At Port	At Market
1955: December	2,797	3,903	4,196	4,305	109	8.9	2,512	618	875	1,037
1956: January	2,512	3,732	3,830	3,910	81	9.0	2,405	661	827	917
February	2,404.9	3,920.7	4,243.0	4,255.5	12.5	4.5	2,087.1	627.8	693.2	766.1
March	2,087.1	2,948.0	3,916.6	4,164.8	248.2	47.5	1,166.6	350.8	282.4	532.8
April	1,166.0	3,783.1	3,444.4	3,479.5	35.1	12.4	1,517.1	454.6	479.5	583.0
May	1,517.1	3,929.3	3,702.0	3,815.0	113.0	10.6	1,755.0	477.9	509.9	767.2

25. Electric Energy Consumption (1,000 KWH)

Supplied by Power Companies (Over 500 kw)					Industries	Self-generated				
1956						1955	1956			
January	February	March	April	May		December	January	February	March	April
222,025	218,809	216,938	221,933	231,310	Mining	55,660	50,246	51,579	45,196	52,792
25,542	25,519	27,951	30,240	33,560	Foodstuffs	2,156	2,142	1,470	521	583
149,676	148,320	159,406	156,651	164,598	Spinning	980	935	1,178	1,281	1,108
179,291	181,072	196,368	193,964	207,320	Paper & Pulp	75,058	69,274	68,817	75,671	63,317
575,547	473,587	665,974	901,491	981,191	Chemicals	206,613	184,830	164,122	213,133	227,604
12,099	11,888	12,192	11,542	12,241	Oil & Coal Products	2,243	2,556	2,390	2,687	2,133
16,249	17,302	18,190	17,268	17,898	Rubber Goods	—	—	—	—	—
43,301	43,040	47,497	52,959	57,077	Glass & Ceramics	90,748	73,037	98,350	113,491	124,493
385,797	373,103	447,271	568,324	604,922	Primary Metals	221,232	201,107	180,923	214,081	234,155
7,212	8,087	8,381	6,854	6,933	Metal Products	—	—	—	—	—
29,770	31,879	34,340	32,434	32,721	Machinery	118	85	74	97	154
42,135	39,406	46,182	53,352	54,809	Electric Machinery & Tools	—	—	—	—	—
60,378	65,906	70,186	65,916	66,690	Transportation Machinery & Tools	—	—	—	—	—
8,767	9,526	9,815	9,728	10,120	Other Manufacturing	—	—	—	—	—
1,535,764	1,428,635	1,743,753	2,100,718	2,250,080	Manufacturing Total	559,148	533,966	517,324	620,962	653,547
275,365	261,667	270,008	261,778	267,210	Public Utilities	880	217	—	204	209
100,740	102,276	98,962	95,114	95,211	Others	—	—	—	—	—
2,133,894	2,011,387	2,329,661	2,679,543	2,843,811	Total	655,688	584,429	569,068	666,362	706,548

26. Supply & Demand of Raw Silk (In bales=123 lbs.)

Year & Month	Raw Silk					Silk Fabrics			
	Production	Exports	Domestic Deliveries	Stocks at Month-end	U.S. Consumption		Production	Exports	
					Consumption	Stocks at Month-end			
1955: November	27,711	8,951	17,906	17,360	5,446	8,234	15,158	2,180	
December	28,059	9,436	18,895	17,064	5,439	8,651	15,012	4,611	
1956: January	20,556	4,820	13,409	19,094	5,970	11,170	13,368	2,196	
February	24,464	7,421	15,906	18,311	3,965	9,719	13,296	2,656	
March	25,528	5,709	17,593	18,233	4,823	10,003	13,631	2,938	
April	22,306	6,408	17,300	16,649	4,757	9,702	14,396	2,587	
May	20,306	4,256	17,891	14,808	5,048	9,626	15,228	..	
1956: January-May	113,160	28,614	82,099	—	24,563	—	69,919	10,379	
1955: January-May	92,567	27,041	70,463	—	22,453	—	75,561	8,755	

27. Supply & Demand of Paper and Pulp

Year & Month	Pulp (long ton)				Paper, Western Style (in 1,000 pounds)				Cardboard & Japanese Style Paper (in 1,000 pounds)			
	Production	For Paper	Deliveries	In Stock	Production	Deliveries	Self-Con- sumption	In Stock	Production	Deliveries	Self-Con- sumption	In Stock
1955: Nov.	167,115	89,634	77,115	29,995	268,174	254,154	7,618	149,841	429,645	407,208	18,953	205,194
Dec.	169,773	90,793	75,627	33,348	268,642	255,728	7,937	154,818	437,036	415,159	20,345	206,726
1956: Jan.	161,584	86,435	71,168	37,329	248,934	235,584	8,264	159,903	404,027	379,393	19,348	212,012
Feb.	164,793	87,568	78,225	36,329	256,378	243,458	9,775	163,048	424,668	402,905	21,672	212,103
Mar.	179,059	96,510	86,267	32,611	285,249	272,542	9,573	167,114	464,266	439,793	19,795	217,711
Apr.	169,437	91,664	76,334	34,053	270,353	261,834	8,597	176,036	448,280	430,931	19,002	216,058
May	178,974	97,627	81,716	33,681	285,339	276,940	9,859	165,575	472,401	453,190	21,183	214,086

28. Supply & Demand of Soda and Ammonium Sulphate (In metric tons)

Year & Month	Ammonium Sulphate			Soda Ash			Caustic Soda		
	Production	Deliveries	In Stock	Production	Deliveries	In Stock	Production	Deliveries	In Stock
1955: November	178,376	134,232	152,901	29,235	27,285	5,349	46,024	38,823	9,592
December	173,329	185,709	136,027	29,879	31,072	2,742	47,033	41,659	7,766
1956: January	179,355	179,327	129,916	29,781	26,877	4,039	47,144	38,622	9,323
February	160,707	176,680	107,210	29,895	28,772	3,937	44,826	38,837	8,331
March	189,695	187,128	100,965	31,766	30,486	3,835	49,227	41,911	8,023
April	202,515	203,281	93,634	30,744	28,019	5,126	50,683	43,509	7,738
May	212,005	201,642	95,458	31,708	30,265	5,433	53,398	44,412	8,511
1955: May	196,634	216,679	27,578	25,364	24,385	3,578	42,989	35,941	9,691

Sources: 24. MITI 25. Public Utilities Bureau. 26. Central Raw Silk Association. 27. MITI. 28. MITI. * Revised at source.

29. Supply & Demand of Pig-iron and Steel Materials

(In tons)

(MITI)

Year & Month	Pig-iron			Steel Materials					
	Production	Deliveries	In Stock	Production	Deliveries	In Stock	Production	Deliveries	In Stock
1955: Total	5,216,766	1,204,402	88,819	6,931,774	5,363,447	281,393	318,616	238,824	24,463
1955: December	467,253	97,953	88,819	620,741	505,451	281,393	31,113	23,232	24,463
1956: January	473,176	95,288	106,365	605,727	449,405	291,772	31,033	23,534	24,742
February	449,394	87,808	102,773	637,746	477,756	287,210	35,059	27,081	24,278
March	479,583	104,524	99,583	678,664	524,164	288,176	35,381	27,652	22,926
April	485,359	94,447	124,798	662,599	515,103	284,169	39,057	29,447	23,832
1955: April	426,398	105,827	90,466	578,858	454,134	319,642	26,683	19,790	20,346

30. Department Store Sales

(In million yen)

(MITI)

Year & Month	By Month	No. of Stores	Total	Clothing	Sundry Goods	Household Utensils	Provisions	Dining Room	Services	Outside Store Sales	Others	Gift Certificates
Total	1955: September ..	158	12,452	5,642	2,441	1,200	2,007	426	138	449	148	103
	October	158	17,367	8,832	3,038	1,654	2,467	470	193	536	177	141
	November ..	158	19,534	10,694	3,028	1,849	2,491	478	202	612	180	158
	December ..	158	41,017	20,914	6,904	3,537	7,437	600	258	1,066	303	1,151
	1956: January	158	14,577	6,577	2,998	1,467	2,432	461	144	352	146	179
	February	158	14,532	6,537	3,048	1,510	2,507	445	143	170	171	176
	March	158	20,314	9,821	4,412	1,931	3,011	613	194	35	295	298
	April	160	19,620	9,068	4,445	2,066	2,928	612	178	18	304	222
	May	161	17,624	7,997	3,724	2,044	2,795	573	162	16	312	158

31. JPA Procurement Contracts

(In \$1,000)

Year & Month	Contracts (Weekly total)			Cumulative total as from June 26, 1950		
	Total	Merchandise	Services	Total	Merchandise	Services
1951 Average	29,470	21,209	8,261	—	—	—
1952 "	20,335	13,830	6,505	—	—	—
1953 "	27,359	17,523	9,836	—	—	—
1954 "	19,761	9,975	9,786	—	—	—
1955 "	14,815	5,566	9,249	—	—	—
1955: August	8,979	3,769	5,210	1,658,830	677,593	981,237
September	9,460	4,916	4,544	1,667,593	681,477	986,116
October	21,674	4,063	17,611	1,689,197	699,110	990,087
November	8,338	5,009	3,329	1,697,161	702,212	994,949
December	9,491	4,192	5,299	1,706,591	999,045	707,546
1956: January	10,148	6,126	4,021	1,716,612	1,005,144	711,468
February	6,913	2,951	3,962	1,723,023	1,007,559	715,464
March	8,251	4,788	3,463	1,730,986	1,012,320	718,666
April	14,494	7,644	6,850	1,745,210	1,019,891	725,319
May	14,843	9,275	5,568	1,759,849	1,029,027	730,822

Source: Economic Planning Board.

32. JPA Procurement Payments

(In \$1,000)

Year & Month	Monthly			Cumulative total as from June 26, 1950		
	Total	U.S.'s Burden	Japan's Burden	Total	U.S.'s Burden	Japan's Burden
1954 Total	453,674	268,679	184,995	—	—	—
1955 Total	355,664	233,875	121,789	—	—	—
1956: February	24,267	16,052	8,215	2,331,815	1,806,793	525,022
March	30,407	21,720	8,687	2,362,222	1,828,513	533,709
April	21,934	17,079	4,855	2,384,156	1,845,592	538,564
1955: April	26,846	14,363	12,483	2,049,819	1,610,056	439,763

Source: American Embassy Economic Section.

33. Labor Population Survey

(In 1,000)

Year & Month	Total (1) Population	Population 14 years old and over						Agriculture & Forestry		Non-Agricultural Industry	
		Total (2)	Labor Force			Not in Labor Force		Not at Work (3)	At Piece-Work (4)	Not at Work (3)	At Piece-Work (4)
			Total of the following three columns	Agriculture & Forestry	Non-Agricultural Industries	Totally Unemployed					
1953 Average	86,780	58,310	39,700	17,130	22,120	450	18,620	260	6,270	300	3,360
1954 "	88,030	59,280	40,150	16,670	22,910	580	19,080	250	5,790	310	3,360
1955 "	89,110	60,920	41,800	17,150	23,970	680	19,010	—	6,360	—	3,790
1956: January	89,600	62,050	39,530	13,560	25,290	680	22,430	270	7,140	330	4,140
February	89,700	62,190	39,580	13,480	25,350	750	22,530	310	8,280	310	4,270
March	89,800	62,320	41,910	15,430	25,420	1,080	20,310	320	8,340	440	4,270
April	89,900	62,420	43,110	17,000	25,410	700	19,210	250	6,260	270	3,400
May	89,900	62,510	44,610	18,960	25,030	620	17,820	210	4,580	260	3,220
June	90,000	62,600	44,970	19,730	24,670	570	17,560	230	7,130	310	3,060
1955: June	89,100	60,830	43,710	19,690	20,610	440	17,030	150	4,310	310	3,210

Notes: (1) Since August, 1950, total population is the estimated total population as of the 1st of next month.

(2) Including persons whose labor force status was unknown.

(3) Among the persons holding jobs but not at work during the survey week, the following are defined as not at work: self-employed workers are not at work provided that their employees or unpaid family workers are engaged in their business during the survey week; employees are not at work provided that either they received or are expected to receive payment.

(4) Those whose working hours total only 1-34 hours in a week.

Source: Bureau of Statistics, Office of the Prime Minister.

34. Spot Quotations on Tokyo Securities Exchange

Names of Shares	Au- thorized (Paid-up) Capital In mil- lion yen	Divi- dends	1956			Names of Shares	Au- thorized (Paid-up) Capital In mil- lion yen	Divi- dends	1956		
			July		Aug. 15				July		Aug. 16
			High	Low					High	Low	
Transportation						Food & Fishery					
Iino Kaiun	6,600	—	77	64	78	Ajinomoto	2,296	25	219	201	203
Mitsubishi Shipping	2,400	8	97	80	98	Asahi Breweries	1,460	20	190	182	183
Mitsui Steamship	5,400	—	77	65	74	Dainippon Sugar Mfg.	720	25	165	155	160
Nippon Express	7,200	16	244	220	238	Honen Oil	600	20	175	155	177
Nitto Shosen	4,000	8	74	62	76	Japan Beet Sugar Mfg.	675	20	127	122	122
N.Y.K.	7,600	—	82	70	76	Japan Distilling	1,100	20	97	92	94
O.S.K.	7,600	—	69	60	65	Kirin Brewery	1,230	22	230	222	228
Tobu Railway	1,600	13	165	157	□ 126	Meiji Confectionery	840	25	160	155	157
Tokyo El. Express Railway ..	3,000	15	149	143	□ 100	Meiji Sugar Mfg.	500	30	164	158	158
Mining & Oil						Morinaga Confectionery	750	20	191	180	181
Dowa Mining	1,000	25	225	206	215	Nippon Breweries	1,460	20	179	170	172
Furukawa Mining	1,352	12	132	121	124	Nippon Cold Storage	1,600	20	126	119	117
Maruzen Oil	2,625	20	129	116	110	Nippon Flour Mills	720	20	140	130	131
Mitsui Mining & Smelting	2,400	18	122	98	118	Nippon Suisan	2,800	15	97	92	95
Mitsubishi Mining	1,800	10	120	100	114	Nisshin Flour Milling	1,000	16	129	125	128
Mitsubishi Metal Mining	2,100	18	151	137	147	Nissin Oil Mills	500	25	150	143	144
Mitsubishi Oil	2,400	20	130	128	117	Noda Soy Sauce	800	30	213	203	209
Mitsui Mining	1,200	—	122	98	114	Taito	300	45	270	260	260
Nihon Mining	4,200	20	93	85	113	Takara Shuzo	2,618	20	131	122	135
Nippon Oil	4,500	20	107	103	98	Toyo Seito	333	30	163	146	159
Showa Oil	2,550	20	150	136	□ 97	Chemicals					
Sumitomo Coal Mining	1,200	10	90	78	84	Dainippon Celluloid	1,000	15	159	136	160
Sumitomo Metal Mining	1,950	18	123	105	121	Electro Chemical	2,040	20	122	112	119
Teikoku Oil	2,000	12	95	88	89	Kansai Paint	400	20	130	125	133
Toa Nenryo Kogyo	3,159	25	150	138	130	Kyowa Fermentation Ind.	1,399	20	111	105	107
Ube Industries	4,200	20	146	122	151	Mitsubishi Chem. Ind.	3,172	10	156	139	□ 126
Shipbuilding & Machinery						Mitsui Chemical Ind.	1,600	20	135	123	138
Canon Camera	400	25	184	179	182	Nippon Chem. & Medicine....	500	20	162	143	147
Ebara Mfg.	600	20	205	175	□ 143	Nippon Soda	1,508	15	154	144	□ 119
Fuji Electric	1,500	15	115	109	115	Nissan Chemical Ind.	2,000	13	80	75	78
Furukawa Electric	3,000	12	95	84	90	Nitto Chem. Ind.	2,120	8	129	126	129
Hitachi, Ltd.	10,000	15	118	110	96	Sankyo	520	25	206	180	193
Ishikawajima Heavy Ind.	1,300	12	125	112	126	Shin-etsu Chemical Ind.	960	15	158	143	□ 90
Isuzu Motor	3,000	16	126	101	□ 89	Shin Nippon Chisso Hiryo....	1,200	15	127	116	127
Japan Precision Ind.	400	20	185	176	188	Showa Denko	2,200	15	170	151	173
Koyo Seiko	400	15	130	117	121	Sumitomo Chemical	4,000	25	130	117	127
Mitsubishi Elec. Mfg.	3,600	15	94	85	102	Toa Gosei Chemical Ind.	1,200	20	180	170	187
Mitsubishi Heavy Ind., Reorg..	5,600	12	109	99	101	Toyo Koatsu Ind.	3,600	20	235	212	□ 132
Mitsubishi Japan Heavy Ind. ..	3,000	10	80	72	78	Toyo Soda	1,000	15	118	101	113
Mitsubishi Shipbldg. & Eng.	2,800	12	130	118	129	Miscellaneous					
Mitsui Shipbldg. & Eng.	2,240	16	172	162	□ 103	Asahi Glass	3,100	20	205	190	199
Nippon Electric	1,000	15	130	129	138	Fuji Photo Film	2,000	20	172	160	172
Nippon Kogaku	310	15	178	162	171	Konishiroku Photo Industry ..	1,200	20	128	120	130
Nissan Motor	2,100	20	136	121	130	Nippon Musical Instruments ..	300	25	223	208	□ 147
Tokyo Shibaura Electric	6,392	12	87	77	91	Nippon Sheet Glass	1,200	20	170	165	170
Toyo Bearing Mfg.	400	20	183	165	191	Toyo Seikan	(A) 400	20	1,700	1,640	—
Steel & Metal						Tokyo Rope	440	10	159	145	150
Fuji Iron & Steel	8,400	12	89	79	86	Yokohama Rubber	951	10	140	138	□ 145
Kawasaki Steel	4,000	—	82	73	78	Paper & Printing					
Kobe Steel Works	3,600	12	77	67	72	Hokuetsu Paper Mills	900	10	73	67	74
Nippon Light Metal	2,722	10	170	160	167	Honshu Paper	2,000	8	90	78	95
Nippon Kokan Ind.	10,000	15	89	78	81	Jujo Paper	1,120	30	275	248	269
Sumitomo Metal Ind.	5,000	10	80	68	78	Mitsubishi Paper Mills	900	15	119	90	108
Yawata Iron & Steel	9,600	12	91	82	88	Oji Paper	1,600	25	253	226	244
Textiles						Toppan Printing	300	23	192	177	186
Asahi Chemical	(B) 3,675	25	392	363	379	Lumber & Ceramics					
Chuo Textile	500	10	66	60	62	Iwaki Cement	1,000	40	215	203	200
Dai Nippon Spinning	5,250	18	117	106	108	Nihon Cement	2,500	24	163	154	148
Daito Woollen Spinning	1,500	20	104	99	99	Nippon Gaisi	500	25	181	175	180
Fuji Spinning	3,000	20	151	140	□ 108	Nippon Toki	350	25	230	218	236
Japan Wool Textile	2,560	50	146	140	141	Onoda Cement	5,120	16	95	91	93
Kanegafuchi Spinning	3,738	20	244	221	□ 109	Land, Warehouse & Trade					
Kokoku Rayon	3,000	12	82	75	80	Heiwa Real Estate	1,260	10	341	316	342
Kokusaku Pulp	1,200	20	167	150	160	Mitsui Bussan	878	20	213	190	209
Kurashiki Rayon	1,500	15	181	154	187	Mitsui Real Estate	200	20	815	785	781
Kurashiki Spinning	2,600	20	166	149	□ 112	Mitsubishi Estate	2,064	18	225	212	216
Mitsubishi Rayon	1,500	20	170	162	161	Mitsubishi Shoji	5,000	16	158	143	□ 104
Nippon Pulp Ind.	1,600	20	133	124	129	Mitsubishi Warehouse	600	10	113	102	104
Nisshin Cotton Spinning	1,040	30	324	283	333	Dept. Stores & Amusements					
Nitto Spinning	1,350	15	118	97	109	Mitsukoshi	1,860	23	370	338	367
Ohmi Kenshi Spinning	1,000	10	113	96	110	Nikkatsu	3,287	10	67	62	62
Sanyo Pulp	2,175	20	167	154	158	Shochiku Motion Picture	1,320	25	225	221	230
Teikoku Rayon	3,200	20	194	175	186						
Toho Rayon	1,500	20	137	123	130						
Tohoku Pulp	1,560	20	155	144	152						
Toyo Rayon	6,000	25	309	293	□ 177						
Toyo Spinning	6,450	22	151	140	150						

Notes: (A) 500 yen shares. (B) 100 yen shares, others 50 yen. □ ex-new.

35. Exports and Imports by Country

(In million yen)

Settlement Area	Countries	Exports				Imports			
		1954 Total	1955 Total	Apr. 1956	May 1956	1954 Total	1955 Total	Apr. 1956	May 1956
	Total Exports & Imports	586,562	723,816	70,292	70,186	863,785	889,715	91,894	97,829
	Asia Total	286,846	303,460	29,953	28,800	265,259	325,421	32,632	34,335
0	Korea	24,684	14,218	1,926	1,051	2,911	3,434	222	290
£	China	1,878	20,277	904	1,585	14,677	29,080	2,251	2,242
\$	Ryukyu Islands	15,529	18,288	2,033	1,728	3,645	5,738	798	823
£	Hong Kong	27,815	31,702	6,449	4,865	1,426	2,221	328	352
0	Formosa	23,734	22,978	2,081	2,120	20,552	29,116	1,646	1,826
	Southeast Asia Total	161,444	203,270	20,625	17,926	165,301	189,834	20,311	19,904
0	Indo-China	4,654	13,245	1,808	1,070	5,233	1,982	235	263
0	Thailand	23,438	22,691	563	1,470	24,901	22,841	716	1,370
£	Malayan Union	3,360	4,852	473	439	20,326	33,416	3,462	3,272
£	Singapore	13,281	21,355	2,520	1,825	2,648	5,892	700	817
0	Philippines	11,229	18,651	1,478	1,956	24,166	32,023	3,516	3,166
£	British Borneo	179	377	11	46	6,986	7,707	976	927
0	Indonesia	43,097	23,297	1,806	2,096	21,682	29,219	2,844	3,095
£	Burma	16,413	13,786	920	787	22,713	16,477	2,216	2,714
£	India	15,788	30,503	3,438	2,525	18,562	27,823	4,102	3,689
£	Pakistan	20,160	15,839	532	339	13,028	16,951	2,240	1,084
£	Ceylon	6,226	7,353	645	546	950	989	110	81
	Iran	8,446	8,072	217	495	7,722	7,920	564	673
£	Iraq	6,110	7,756	447	656	217	2,055	377	235
£	Aden	3,348	3,461	237	270	102	1,159	70	226
\$	Saudi Arabia	999	2,372	225	490	39,916	35,169	3,589	4,865
£	Kuwait	1,682	2,265	230	262	3,887	5,914	931	1,100
0	Turkey	2,444	1,272	11	1,173	2,091	396	—	—
£	Jordan	562	637	48	61	50	356	—	—
\$	Syria	1,355	2,502	139	160	222	1,425	113	—
\$	Lebanon	458	434	119	105	146	37	—	—
	Europe Total	52,665	74,086	5,109	7,852	69,526	62,999	7,875	7,252
0	Sweden	3,031	4,815	315	453	3,268	1,712	214	201
\$	Denmark	471	2,123	69	103	1,343	685	79	85
£	United Kingdom	18,405	21,876	1,481	2,505	13,358	13,650	1,813	1,887
0	Netherlands	7,855	9,627	475	703	4,227	4,129	304	281
\$	Belgium & Luxemburg Economic Union ..	2,896	3,736	366	356	4,955	3,248	273	330
0	France	4,189	4,182	384	270	7,400	5,507	649	739
£	West Germany	6,514	9,058	743	624	15,880	16,648	2,225	1,242
	East Germany	880	1,145	191	290	1,897	1,858	489	570
\$	Switzerland	1,708	2,259	206	239	3,925	4,573	385	399
£	Spain	564	1,235	168	1,094	4,783	4,242	218	1,170
\$	Italy	1,940	2,846	353	378	6,295	4,717	1,076	189
\$	Norway	420	542	—	—	150	98	—	—
0	Finland	551	1,419	27	47	815	474	1	—
\$	Austria	282	818	98	72	324	320	56	34
	North America Total	125,466	191,536	18,172	19,519	396,858	367,588	34,938	41,824
\$	Canada	7,576	16,254	1,835	2,446	44,117	39,175	4,078	3,905
\$	U.S.A.	99,655	161,722	15,387	15,962	304,899	278,021	24,669	31,673
\$	Mexico	10,363	2,656	151	189	33,219	30,230	4,534	3,794
	Cuba	1,092	1,747	98	103	8,739	9,906	750	1,339
\$	Panama	554	2,166	91	131	909	323	25	5
\$	Colombia	3,415	2,556	141	152	200	257	9	54
\$	Ecuador	477	549	15	36	2,122	74	14	9
	South America Total	56,924	53,533	4,764	3,360	63,829	37,432	2,970	3,014
\$	Peru	1,670	1,796	184	210	7,315	3,880	341	232
0	Brazil	28,155	12,032	1,109	1,174	26,580	21,340	745	1,548
0	Argentina	17,592	28,485	1,801	882	21,800	8,006	786	1,043
\$	Chile	447	1,401	781	41	863	278	77	33
	Africa Total	49,857	74,009	11,119	8,522	18,462	22,664	3,628	4,388
0	Egypt	2,312	5,124	300	382	10,086	10,643	1,717	1,632
£	Nigeria & Gold Coast	15,305	22,034	2,039	2,358	111	62	23	41
\$	Liberia	9,055	19,060	6,932	3,455	87	19	180	105
\$	Belgian Congo	4,249	1,226	98	129	25	45	824	4
£	British East Africa	—	—	202	287	—	—	467	943
£	Union of South Africa	10,885	10,382	841	1,023	3,807	6,295	995	556
	Australia & Oceania Total	14,794	27,181	1,165	2,128	49,769	73,569	9,847	7,016
£	Australia	10,155	19,842	811	1,287	42,160	63,974	9,056	6,231
£	New Zealand	941	2,833	9	409	1,612	2,419	130	255
\$	Hawaii	2,092	2,478	161	253	638	365	32	116
£	New Caledonia	105	230	12	45	1,217	2,483	321	249
0	French Oceania	74	74	6	2	1,425	1,513	158	87
\$	Guam	405	210	52	12	727	712	27	65

Source: Finance Ministry.

Note: 0 denotes open account area; \$, dollar area; £, sterling area.

36. Production by Major Items

Items	In	1955 Total	1956 April	1956 May	Items	In	1955 Total	1956 April	1956 May
Electricity. Coal. Cokes. Gas				Δ	Ordinary Motors.....	HP	654,614	87,550	82,369
Electricity	1,000 KWH	53,503,578	5,111,788	5,343,348	Ordinary Transformers	KVA	1,436,524	159,493	174,818
Coal	1,000 Tons	42,423.4	3,781.0	3,912.0	Mercury Rectifiers	KW	109,961	14,232	4,979
Cokes	"	7,088,685	659,101	689,289	Condensers (High Pressure) ..	KVA.	961,277	138,082	133,421
Gas	1,000 CM	2,411,555	230,354	219,334	Condensers (Low Pressure) ..	MF.	"	1,263,377	1,278,086
Minerals					Switchboards	Units	37,304	4,183	4,140
Gold	GM.	7,382,292	562,513	594,249	Circuit Breakers	"	56,901	4,896	15,250
Silver	KG.	184,870	14,945	15,402	Controllers	"	"	5,006	4,972
Copper	Tons	71,096	6,232	6,220	Electric Fans	"	515,305	77,656	73,721
Lead	"	26,089	2,197	2,350	Electric Bulbs	1,000 Psc.	142,887	12,108	12,694
Zinc	"	108,392	8,998	9,203	Special Electric Bulbs	"	66,801	5,695	5,527
Sulphuric Iron	"	2,730,662	242,798	257,002	Watt-hour Meters	Units	1,461,458	183,188	150,447
Iron	"	965,021	68,996	80,000	Electric Meters	"	31,909	4,531	3,886
Refined Sulphur	"	202,415	18,943	19,600	Storage Batteries	Kg.	10,179,162	1,036,062	876,340
Crude Oil	KG.	354,309	28,887	29,589	X-Ray Equipments	Sets	4,849	428	412
Natural Gas	CM.	"	14,574,173	14,258,860	Telephones	"	509,990	49,684	48,741
Non-ferrous Metals & Products					Telephone Switchboards	"	3,349	255	315
Electric Gold	GM.	8,591,140	688,453	733,081	Automatic Tel. Switchboards ..	Circuits	193,673	21,292	21,894
Electric Silver	KG.	227,440	20,638	21,791	Radios	Set.	1,789,190	218,164	216,301
Electric Copper	Tons	113,316	9,006	10,826	Televisions	"	136,505	19,658	19,945
Lead	"	37,111	3,752	3,802	Electric Tubes for Receiving ..	1,000 Pcs.	30,481	3,547	3,294
Zinc	"	"	12,524	12,158	Elect. Tubes for Transmis. ..	1,000 Pcs.	74,167	10,729	12,758
Electric Tin	KG.	1,033,606	77,624	114,051	Truck Chassis	Units	20,584	2,165	2,533
Mercury	"	171,271	21,979	22,453	Bus Chassis	"	4,807	478	366
Nickel	"	3,487,484	415,333	451,321	Small Four-wheeler Chassis ..	"	"	2,722	3,067
Aluminum	Tons	138,202	12,115	13,907	Small Passenger Car Chassis ..	"	"	1,784	1,930
Rolled Aluminum	"	57,508	5,472	5,784	Small Three-wheeler Chassis ..	"	87,743	8,563	8,775
Rolled Copper	"	117,044	11,443	11,000	Truck Bodies	"	"	3,748	4,050
Wires & Cables	"	95,478	8,475	8,629	Bus Bodies	"	"	675	550
Oil Products					Small Truck Bodies	"	"	2,273	2,570
Gasoline	KL.	2,461,481	236,684	255,068	Bicycles	"	1,108,792	122,545	119,896
Light Oil	"	737,128	80,216	101,317	Industrial Locomotives	"	305	26	21
Heavy Oil	"	3,928,552	459,839	468,222	Binoculars	Pairs	280,582	27,151	26,927
Lubricants	"	365,514	34,334	36,441	Cameras	Units	1,021,236	94,760	93,204
Iron & Steel Products					Japanese Typewriters	"	11,738	1,439	1,494
Pig-iron	Tons	5,216,766	485,359	515,176	Watches	Pcs.	5,798,343	528,905	518,278
Pig-iron for Forgery	"	616,181	42,054	61,422	Textiles & Yarns				
Steel	"	9,407,723	902,676	903,037	Cotton Yarn	1,000 lb.	922,680	88,158	90,356
Ordinary Steel	"	8,852,370	835,896	836,361	Silk Yarn	"	4,387	391	364
Special Steel	"	555,353	66,780	66,676	Rayon Staple Yarn	"	195,352	17,125	18,588
Ferro-alloys	"	209,647	30,766	35,315	Rayon Filament Yarn	"	410,938	38,174	39,468
Rolled iron materials	"	6,931,774	634,049	647,856	Woolen Yarn	"	184,748	18,514	19,109
Iron Shapes (Medium size) ..	"	359,263	37,763	39,470	Best Fibre Yarn	"	101,053	8,320	8,175
Iron Bars (Medium size)	"	75,616	8,806	8,116	Chemical Textiles	"	"	4,882	4,948
Iron wire	"	606,627	49,104	50,916	Staple Fibres	"	536,748	53,921	55,336
Iron Sheets (Thick)	"	1,421,148	150,934	156,033	Cotton Textiles	1,000 sq. y.	3,018,137	300,219	295,184
Iron Sheets (Thin)	"	740,637	58,175	58,914	Silk Textiles	"	184,322	14,896	15,228
Rolled Special Steel	"	318,616	39,057	36,690	Spun Silk Textiles	"	24,497	2,023	2,010
Iron Tubes	"	137,859	13,310	13,153	Rayon Textiles	"	773,828	75,926	76,037
Forged Steel	"	144,390	16,358	16,034	Rayon Staple Textiles	"	895,927	87,618	85,592
Cast Steel	"	"	20,983	23,509	Woolen Textiles	"	185,615	16,701	15,548
Galvanized Sheets	"	"	51,531	55,229	Best Fibre Textiles	"	137,549	11,290	11,647
Machinery & Machine Tools					Best Fibre Ropes	1,000 lb.	"	8,981	7,511
Steam Boilers	Tons	33,266	2,138	2,357	Chemicals				
Steam Turbines	KW.	403,594	2,340	4,000	Ammonium	Tons	750,315	75,373	79,086
Water Turbines	KW.	627,664	38,971	13,591	Supphuric Acid	"	"	473,941	509,812
Gasoline Engines	HP.	178,455	11,198	16,189	Ammonium Sulphate	"	2,128,943	202,515	211,200
Oil Burners	"	323,889	38,361	34,094	Superphosphate of Lime	"	1,794,786	180,174	185,516
Machine Tools	Tons	6,588	819	691	Carbide	"	674,073	97,628	106,754
Drills	1,000 Pcs.	12,846	1,259	1,098	Calcium Cyanamide	"	510,883	54,884	60,314
Rolling Machines	Tons	"	4,093	4,165	Caustic Soda	"	517,138	50,683	53,398
Bearings	"	6,948	899	775	Soda Ash	"	830,448	30,744	31,708
Cogs	"	1,598,422	481	515	Synthetic Hydrochloric Acid ..	"	"	21,777	22,569
Burners	"	"	247	245	Bleaching Powder	"	"	2,395	2,097
Thrashing Machines	"	252,541	21,625	23,538	Liquid Choline	"	"	7,579	7,717
Hulling Machines	"	56,171	4,963	5,377	Crude Bensol	"	97,675	9,629	10,180
Rice-cleaning Machines	"	78,445	4,596	4,102	Refined Bensol	"	40,556	4,310	4,608
Air Compressors	"	4,076	374	437	Pure Toluol	"	7,738	822	849
Electric Fans	"	4,944	611	706	Photo-films	1,000 sq.m.	8,006	756	677
Pumps	"	21,056	2,106	2,421	Paper & Pulp				
Refrigerators	"	14,525	1,690	1,299	Pulp	Long Tons	1,877,415	169,437	177,903
Conveyers	"	15,305	1,882	1,212	Western Style Papers	1,000 lb.	3,071,063	270,353	277,830
Cranes	Tons	16,073	1,368	1,180	Ceramics				
Winches	"	4,853	378	563	Firebricks	Tons	689,339	68,456	71,300
Elevators	"	"	245	562	Chinawares	"	"	38,529	39,380
Printing Machines	"	7,725	718	541	Enamelwares	"	27,239	1,992	1,500
Silk Preparing Machines	"	"	348	656	Red Bricks	"	527,109	41,470	52,071
Cotton Preparing Machines ..	"	"	754	600	Sheet Glass	Boxes	6,650,036	555,175	553,422
Cotton Spinning Machines ..	"	25,750	4,997	4,583	Cement	Tons	10,556,650	1,180,988	1,113,467
Wool Spinning Machines	"	"	393	268	Miscellaneous				
R. Staple Weaving Machines ..	Units	16,648	1,866	1,775	Automobile Tires	Pcs.	2,317,575	217,034	230,636
Cotton Weaving Machines	"	16,950	1,872	1,503	Bicycle Tires	"	"	2,394	2,716
Wool Weaving Machines	"	2,764	221	203	Metal Toys	1,000 pcs.	250,795	25,885	26,075
Sewing Machines	"	1,696,384	151,754	150,000	Pencils	Gross	6,591,749	689,000	675,000
Lathes	Tons	5,132	483	485	Fountain Pens	dz.	1,871,847	166,378	166,000
Drilling Machines	"	3,354	214	212	Leather Shoes	prs.	1,790,324	235,992	420,220
Millwork Power Generators ..	KVA	1,377,023	10,670	17,245					

Source: Ministry of International & Industry. Note: Δ Provisional figures.

37. Exports by Major Articles

(In million yen)

Articles	Unit	1955		1956			
		Aggregate		Aggregate up to April		May Aggregate	
		Volume	Value	Volume	Value	Volume	Value
Food	—	—	47,793	—	20,345	—	5,798
Fish & Shellfish	m.t.	155,108	27,226	66,232	13,169	16,800	4,532
Canned, Bottled Fish	"	62,206	16,442	30,075	9,243	11,405	3,798
Cereals	—	—	1,287	—	351	—	68
Fresh & Frozen Fruit	m.t.	116,519	9,276	43,269	4,030	5,561	655
Sugar & Its Products	m.t.	34,039	1,434	2,914	200	217	25
Beverage & Tobacco	—	—	1,214	7,034	581	807	66
Tea	1,000 lbs.	31,954	3,510	—	322	—	73
Beer	kl.	6,339	507	—	226	—	48
Tobacco	—	—	471	—	95	—	25
Raw Materials	—	—	35,285	—	10,416	—	2,561
Lumber	cu.m.	442,008	10,438	162,023	3,169	47,866	921
Textile, Fibre	1,000 lbs.	69,061	20,821	20,585	5,695	5,543	1,288
Raw Silk	bales	86,712	18,005	3,044	4,519	602	923
Fertilizers & Mineral Products	—	—	252	—	48	—	14
Animal & Vegetable Materials	—	—	2,257	—	1,074	—	233
Coal & Petroleum	—	—	2,546	—	1,489	—	322
Animal & Vegetable Oils	—	—	6,381	—	4,367	—	283
Animal Oil	m.t.	—	5,448	—	3,889	—	131
Cod-liver Oil	"	6,729	2,155	1,829	643	293	129
Vegetable Oil	"	8,036	916	2,485	286	1,032	127
Chemicals, Drugs	—	—	33,751	—	12,954	—	3,117
Pharmaceuticals	—	—	2,997	—	906	—	300
Chemical Fertilizers	m.t.	762,875	15,010	327,141	6,866	80,081	1,326
Manufactured Products by Material	—	—	414,867	—	142,794	—	38,386
Rubber Goods	—	—	4,359	—	2,106	—	838
Tyres & Inner Tubes	m.t.	9,281	3,345	4,245	1,677	1,725	671
Wood & Cork Products	—	—	15,763	—	1,028	—	329
Paper & Related Products	m.t.	82,096	6,627	26,138	2,456	9,594	855
Textiles	—	—	210,588	—	77,766	—	19,546
Woollen Yarn	1,000 lbs.	7,877	6,263	2,572	1,851	583	349
Cotton Yarn	"	26,226	8,756	12,113	4,394	1,936	634
Rayon Yarn	"	18,046	3,231	17,405	2,946	4,953	854
Spun Rayon Yarn	"	39,224	5,897	5,223	901	1,458	248
Cotton Fabrics	1,000 sq. yds.	1,138,829	82,757	451,989	33,330	90,843	6,927
Silk Fabrics	"	30,022	5,622	64,297	4,285	19,424	1,075
Woollen Fabrics	"	17,751	10,003	6,286	3,400	1,468	758
Artificial Fibre Fabrics	"	895,631	55,686	332,113	22,123	102,366	6,930
Non-Metallic Minerals	—	—	30,625	—	11,377	—	3,213
Cement	m.t.	1,206,244	8,098	527,913	3,378	131,489	852
Glass Products	—	—	4,634	—	1,607	—	460
Chinaware	—	—	15,106	—	5,282	—	1,507
Precious Metals & Gems	—	—	7,846	—	3,023	—	812
Cultured Pearls	kg.	18,223	3,633	8,438	1,611	1,762	445
Base Metals & Products	—	—	117,096	—	33,586	—	9,320
Iron & Steel	m.t.	1,988,521	93,418	490,533	28,053	132,099	7,908
Steel Bars & Shapes	"	356,875	11,401	128,420	4,202	17,822	673
Steel Plates (ungalvanized)	"	344,719	16,801	76,874	4,848	27,901	1,705
Copper	"	41,184	13,257	3,076	1,287	556	248
Nickel	"	2,213	2,261	815	1,084	381	375
Aluminium	"	24,883	5,033	4,043	1,025	1,224	313
Metal Products	—	—	21,845	—	7,315	—	2,330
Machinery & Transportation Equipment	—	—	88,835	—	47,082	—	10,662
Machinery (excl. electric machines)	—	—	34,848	—	11,837	—	3,339
Metal Processing Machines	—	—	1,134	—	350	—	47
Textile Machines & Parts	—	—	9,562	—	3,638	—	678
Sewing Machines & Parts	—	—	13,938	—	4,616	—	1,346
Electric Machines	—	—	11,123	—	4,492	—	1,491
Gen. Motors, Trans. & Alternators	unit	—	2,188	—	394	—	168
Electric Bulbs	1,000 pcs.	194,791	1,601	66,402	476	21,777	180
Transportation Equipment	—	—	42,864	—	30,754	—	—
Railway Rolling Stock	—	—	7,814	—	3,394	—	5,831
Automobiles	—	—	3,736	—	2,398	—	338
Bicycles & Parts	m.t.	—	3,056	—	1,085	—	376
Ships	unit	348	28,147	280	23,867	76	4,675
Miscellaneous	—	—	90,295	—	30,881	—	8,769
Camera	—	234,471	1,680	96,160	657	23,868	151
Toys	m.t.	47,352	15,294	16,225	5,251	5,282	1,656
Livestock, Pets etc.	—	—	299	—	49	—	945
Re-export Goods	—	—	2,551	—	1,001	—	213
Total Exports	—	—	723,816	—	271,661	—	70,186

Note: Figures of group total include others than represented. Figures for value are rounded under one thousand.
Source: Customs Division, Tax Bureau, Ministry of Finance.

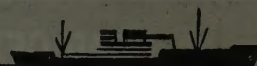
38. Imports by Major Articles

(In million yen)

Articles	Unit	1955		1956			
		Aggregate		April (Aggregate up to)		May (Aggregate up to)	
		Volume	Value	Volume	Value	Volume	Value
Food	—	—	220,038	—	65,102	—	16,592
Cereals (rice, wheat & barley, etc.)	m.t.	—	158,437	1,302,465	42,066	375,566	12,292
Fruit & Vegetables	"	149,625	7,191	28,779	1,478	8,730	442
Sugar	"	1,243,131	43,692	514,440	17,881	93,895	3,059
Coffee	1000. lbs.	9,058	2,044	4,107	873	1,208	229
Beverage & Tobacco	—	—	4,955	—	2,044	—	60
Spirits	l.	—	274	—	82	—	53
Raw Materials	—	—	441,281	—	175,357	—	51,916
Hides & Skins	m.t.	61,763	8,055	23,662	3,249	—	795
Cow Hide	"	47,041	5,214	18,415	2,131	4,192	487
Box Calf	"	8,000	2,008	190,050	785	643	191
Oil Seeds	"	1,135,105	52,928	894,476	17,050	77,942	3,683
Peanuts	"	14,554	1,238	—	—	—	—
Copra	"	50,736	3,829	15,211	1,137	2,188	167
Soy-beans	"	808,177	35,368	298,499	11,628	39,524	1,660
Rubber	"	109,057	26,905	38,358	9,974	11,584	2,615
Crude Rubber	"	87,669	23,852	29,273	8,413	8,282	2,068
Latex	"	7,160	1,522	2,358	543	942	189
Synthetic Rubber	"	5,199	1,374	3,183	933	1,002	328
Lumber & Cork	c.m.	—	22,909	—	8,064	—	2,460
Lumber	"	2,051,859	22,243	728,911	7,785	202,049	2,314
Cork	m.t.	6,568	616	2,686	267	1,488	140
Pulp & Scrap Paper	—	—	6,849	—	2,500	—	972
Fibres & Textiles	1,000 lbs.	1,498,630	210,799	639,144	84,684	189,189	25,209
Silk (incl. cocoons)	1,000 lbs.	1,904	407	425	81	215	58
Wool	"	214,191	63,376	104,113	27,243	25,922	7,171
Cotton	"	972,061	130,318	461,195	54,068	146,647	17,211
Cotton Linter	"	30,754	773	16,265	355	4,620	106
Waste Cotton	"	87,211	6,920	19,581	1,355	11,387	827
Hard & Bast Fibres	"	117,856	7,823	68,922	2,744	15,180	620
Jute	"	69,843	2,604	27,494	861	5,091	175
Flax	"	5,554	608	1,086	93	447	29
Sisal Hemp	"	27,212	937	9,570	349	4,756	240
Manila Hemp	"	71,196	3,324	22,375	1,117	1,053	116
Fertilizers & Non-metallic Minerals	m.t.	—	36,975	—	10,539	—	2,537
Fertilizers	"	2,369,295	23,959	521,746	4,610	111,759	950
Salt	"	2,025,019	7,775	754,892	3,591	209,830	954
Asbestos	"	20,400	1,436	9,647	685	1,737	132
Magnesite	"	53,486	923	25,475	430	5,600	97
Metals & Ores	m.t.	7,784,569	66,867	3,135,926	37,057	984,196	13,105
Iron Ore	"	5,459,458	29,354	2,117,109	13,570	652,793	4,195
Scrap Iron	"	1,286,959	22,951	605,157	13,760	213,702	5,304
Non-ferrous Metals	"	1,021,375	12,063	395,886	5,897	112,176	1,844
Nickel	"	44,196	2,150	124,074	1,021	27,184	249
Aluminium	"	307,530	2,435	111,754	616	41,118	208
Manganese	—	343,312	1,513	68,339	1,010	8,856	125
Animal Materials	—	—	3,039	—	973	—	245
Vegetable Materials	—	—	5,948	—	1,257	—	295
Coal & Petroleum	—	—	104,040	—	44,561	—	13,433
Coal	m.t.	2,861,923	20,237	1,197,619	9,617	388,386	3,177
Anthracite	"	267,398	1,732	80,654	585	30,062	314
Bituminous (for coking)	"	2,575,281	18,437	961,082	7,952	288,205	2,477
Petroleum	k.l.	12,114,718	81,863	4,664,484	34,310	1,411,675	10,020
Crude & Unrefined	"	8,501,530	53,507	3,470,655	24,140	1,061	6,999
Gasoline	"	348,347	4,620	47,894	821	16,084	308
Kerosene & Gas Oil	"	222,681	2,225	46,573	476	10,937	116
Fuel Oil	"	3,004,426	19,763	1,056,791	8,023	320,953	2,450
Lubricants (excl. grease)	"	29,789	1,324	10,765	509	2,836	147
Petroleum Coke	m.t.	125,959	1,285	47,844	491	19,844	186
Animal & Vegetable Oils	—	—	13,118	—	3,390	—	1,480
Animal Fats & Oils	m.t.	117,680	9,173	25,640	2,047	13,212	979
Vegetable Oils	"	37,536	3,695	11,685	1,242	4,556	475
Chemicals, Drugs	—	—	28,874	—	17,034	—	5,089
Manufactured Products by Material	—	—	21,052	—	10,835	—	3,847
Hides, Leathers & Furs	m.t.	—	964	—	203	—	162
Rubber Goods	—	—	230	—	158	—	25
Paper & Related Products	m.t.	1,456	229	423	101	104	24
Yarns & Fabrics	—	—	3,213	—	1,190	—	157
Base Metals	m.t.	—	1,337	105,313	7,525	38,241	3,014
Iron & Steel	"	82,183	3,647	95,865	3,534	32,271	1,138
Other Base Metals	"	5,823	4,391	9,448	3,998	5,970	1,876
Machinery & Transportation Equipment	—	—	47,665	—	19,178	—	4,461
Machinery (excl. electric machines)	—	—	33,258	—	13,522	—	2,913
Electric Machines	—	—	6,267	—	2,643	—	771
Transportation Equipment	—	—	8,140	—	3,012	638	777
Miscellaneous	—	—	7,895	—	3,391	—	896
Livestock, Pets etc.	—	—	124	—	49	—	8
Re-imports Goods	—	—	674	—	183	—	46
Total Imports	—	—	889,715	—	341,122	—	97,829

Note: Figures of group total include other items not represented above. Figures for value under one thousand are rounded.
Source: Customs Division, Tax Bureau, Ministry of Finance.

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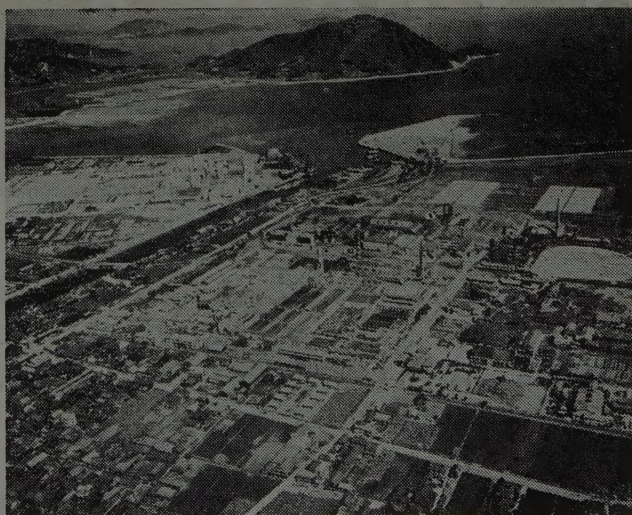
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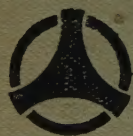
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